

# CITY OF MUSKEGON

## CITY COMMISSION MEETING

JANUARY 27, 2009

CITY COMMISSION CHAMBERS @ 5:30 P.M.

### AGENDA

- ❑ CALL TO ORDER:
- ❑ PRAYER:
- ❑ PLEDGE OF ALLEGIANCE:
- ❑ ROLL CALL:
- ❑ HONORS AND AWARDS:
- ❑ INTRODUCTIONS/PRESENTATION:
- ❑ CONSENT AGENDA:
  - A. Approval of Minutes. CITY CLERK
  - B. Trust Fund Grant Agreement for Smith-Ryerson Park. PLANNING & ECONOMIC DEVELOPMENT
  - C. Ammunition Purchase. PUBLIC SAFETY
  - D. Assessing Services Contract. FINANCE
  - E. New Cingular Wireless Amended Tower Lease Agreement. PUBLIC WORKS
  - F. Request for Encroachment Agreement for 1788 Terrace Street, Rykes Bakery. ENGINEERING
  - G. Transportation Improvements Program Submittal for 2012-2013 Projects. ENGINEERING
- ❑ PUBLIC HEARINGS:
- ❑ COMMUNICATIONS:
- ❑ CITY MANAGER'S REPORT:
- ❑ UNFINISHED BUSINESS:
  - A. Concurrence with the Housing Board of Appeals Notice and Order to Demolish 254 Amity Avenue. PUBLIC SAFETY

**B. Request to Revoke the Obsolete Property Rehabilitation Exemption Certificate at 790 Terrace. PLANNING & ECONOMIC DEVELOPMENT**

**❑ NEW BUSINESS:**

**A. Proposed Water Bond Refunding. FINANCE**

**B. Towing Contract. PUBLIC SAFETY**

**C. Commercial Redevelopment Tax Abatement Districts Policy. PLANNING & ECONOMIC DEVELOPMENT**

**D. Engineering Services Agreement with Sidock Group to Evaluate the Seawall at the Site Known as the Amoco Property. ENGINEERING**

**E. Terminate the Arena Management Contract. CITY MANAGER**

**F. Arena and Concession Management Agreements. CITY MANAGER**

**G. Assignment of Ground Lease – 1601 Beach Street. CITY MANAGER**

**H. Request for Encroachment Agreement for 746 W. Laketon Ave. - Wayne's Deli. ENGINEERING**

**I. Concurrence with the Housing Board of Appeals Notice and Order to Demolish the Following: PUBLIC SAFETY**

1305 Jefferson Street – Garage (Area 10)

922 S. Getty Street

616 Catherine Avenue (Area 11)

355 W. Grand Avenue (Area 11)

267 Iona Avenue – Garage (Area 11)

**❑ ANY OTHER BUSINESS:**

**❑ PUBLIC PARTICIPATION:**

- *Reminder: Individuals who would like to address the City Commission shall do the following:*
- Fill out a request to speak form attached to the agenda or located in the back of the room.
- Submit the form to the City Clerk.
- Be recognized by the Chair.
- Step forward to the microphone.
- State name and address.
- Limit of 3 minutes to address the Commission.
- (Speaker representing a group may be allowed 10 minutes if previously registered with City Clerk.)

**❑ CLOSED SESSION:**

**❑ ADJOURNMENT:**

ADA POLICY: THE CITY OF MUSKEGON WILL PROVIDE NECESSARY AUXILIARY AIDS AND SERVICES TO INDIVIDUALS WHO WANT TO ATTEND THE MEETING UPON TWENTY FOUR HOUR NOTICE TO THE CITY OF MUSKEGON. PLEASE CONTACT ANN MARIE BECKER, CITY CLERK, 933 TERRACE STREET, MUSKEGON, MI 49440 OR BY CALLING (231) 724-6705 OR TDD: (231) 724-4172.

Date: January 27, 2009  
To: Honorable Mayor and City Commissioners  
From: Ann Marie Becker, City Clerk  
RE: Approval of Minutes

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SUMMARY OF REQUEST: To approve minutes for the January 12<sup>th</sup> Commission Worksession, and the January 13<sup>th</sup> Regular Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

City of Muskegon  
City Commission Worksession  
January 12, 2009  
City Commission Chambers  
5:30 PM

MINUTES

2009-01

Present: Commissioners Warmington, Wierengo, Wisneski, Gawron, Carter, Spataro, and Shepherd.

Absent: None.

**Update on Milwaukee Clipper Relocation. City Manager**

The previous location that was approved by City Commission will not work. A previously proposed site, the small boat basin at Hartshorn Marina, is now being revisited.

The Commission stated its approval to relocate the Milwaukee Clipper and to move ahead with the proposal.

The committee will continue to keep the City Manager informed.

**Branding. Public Relations**

The Public Relations Committee selected several items to sell on an online website supported by Trophy House.

The Commission expressed its approval, with the clarification that the project shall not cost the City any money.

**City Commission Goal Setting Date. City Manager**

The Goal Setting meeting has been scheduled for Thursday, February 19, 2009 at 9:00 a.m.

**Any Other Business.**

A lengthy discussion of Special Assessment policies took place. This item will be placed on the Legislative Committee agenda for further discussion.

**Muskegon Lumberjacks**

**Motion by Spataro, seconded by Commissioner Carter to authorize advance payment to Muskegon Lumberjacks up to \$50,000 of the 2009-10 arena management fee contingent upon both parties coming to an agreement on the previously approved transfer of arena management responsibilities.**

***ROLL CALL VOTE:***

**Ayes: Spataro, Warmington, Wierengo, Wisneski, Carter, Gawron, and Shepherd.**

**Nays: None.**

***MOTION PASSES***



**Adjournment**

**Motion by Commissioner Carter, seconded by Commissioner Wierengo to adjourn at 7:25 p.m.**

***MOTION PASSES***

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**Ann Marie Becker, MMC  
City Clerk**

# CITY OF MUSKEGON

## CITY COMMISSION MEETING

**JANUARY 13, 2009**

**CITY COMMISSION CHAMBERS @ 5:30 P.M.**

### **MINUTES**

The Regular Commission Meeting of the City of Muskegon was held at City Hall, 933 Terrace Street, Muskegon, Michigan at 5:30 p.m., Tuesday, January 13, 2009.

Mayor Warmington opened the meeting with a prayer from Pastor Trent Williams from the Zion Baptist Church after which the Commission and public recited the Pledge of Allegiance to the Flag.

#### **ROLL CALL FOR THE REGULAR COMMISSION MEETING:**

Present: Mayor Stephen Warmington, Vice Mayor Stephen Gawron, Commissioners Sue Wierengo, Steve Wisneski, Chris Carter, Clara Shepherd and Lawrence Spataro, City Manager Bryon Mazade, City Attorney John Schrier, and City Clerk Ann Marie Becker.

#### **2009-02 CONSENT AGENDA:**

##### **A. Approval of Minutes. CITY CLERK**

SUMMARY OF REQUEST: To approve minutes for the December 8<sup>th</sup> Commission Worksession, and the December 9<sup>th</sup> Regular Commission Meeting.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the minutes.

##### **B. Risk Avoidance Program (RAP) Grant. PUBLIC SAFETY**

SUMMARY OF REQUEST: The Director of Public Safety is requesting approval to accept a Risk Avoidance Grant (RAP) in the amount of \$2,625. This grant will be utilized to purchase Ready Buckle Restraints for all of the marked police cruisers. This grant represents 50% of the funding for the restraint system.

The Ready Buckle Restraint system makes it easier and is safer for the police officers when they are securing a handcuffed individual in the rear seat of a police cruiser.

FINANCIAL IMPACT: The remainder of the funds will be drawn from the Equipment Fund.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the agreement.

**D. Amendment to the Zoning Ordinance – Temporary Buildings, Structures and Uses.** PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Request to amend Section 2334, #1 (Temporary Buildings, Structures, and Uses) of Article XXIII (General Provisions) to include “movie production” structures as permitted temporary buildings.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Staff recommends amendment of the Zoning Ordinance to include “movie production” structures as permitted temporary buildings.

COMMITTEE RECOMMENDATION: The Planning Commission recommended approval of the request at their December 11<sup>th</sup> meeting. The vote was unanimous with B. Mazade, B. Smith, and J. Aslakson absent.

**E. Metro PCS Tower Lease Agreement.** PUBLIC WORKS

SUMMARY OF REQUEST: Metro PCS Michigan, Inc. a Delaware Corporation and the Department of Public Works have been in negotiations to enter into an agreement to allow Metro PCS to lease space and install antennas and communication equipment on the Nims Street Water Tower.

FINANCIAL IMPACT: Monthly rental will begin at \$1,700 per month to be escalated at the rate of 3% per year starting in 2009, including any renewal terms. Revenue generated from the rental of the space shall be used to offset Water Tank Maintenance Projects.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: To approve the Lease Agreement and to authorize the Mayor and Clerk to sign the agreement.

**F. Response Agreement-Department of Veteran Affairs Police.** PUBLIC SAFETY

SUMMARY OF REQUEST: The Director of Public Safety is requesting approval to enter into a cooperative agreement with the United States Department of Veteran Affairs Police. This agreement, known as a “threshold agreement”, coordinates public safety response to Veterans Affairs offices within the City, specifically: 165 East Apple Avenue, Suite 201. There are no costs associated with this agreement.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the agreement.

**G. Budgeted Vehicle Replacement – Two 2009 Ford F-150s.** PUBLIC WORKS

SUMMARY OF REQUEST: Approval to purchase two 2009 Ford F-150's.

FINANCIAL IMPACT: \$45,324.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approve purchase using State of Michigan Purchasing Program.

**H. Budgeted Vehicle Replacement – Seven 2009 Crown Victorias.** PUBLIC WORKS

SUMMARY OF REQUEST: Approval to purchase seven 2009 Crown Victorias.

FINANCIAL IMPACT: \$149,079.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approve purchase from Great Lakes Ford.

**I. Special Events – Multiple Liquor License Request for Racquets Downtown Grill.** LEISURE SERVICES

SUMMARY OF REQUEST: Racquets Downtown Grill (in partnership with the Muskegon Jaycees) is requesting an extension of their liquor license to host their annual SnowFest event on February 5, 6, and 7, 2009. The first license is held by Linne Lodge #57, Independent Order of Vikings, for their Winterfest event on February 6, 7, and 8, 2009.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

COMMITTEE RECOMMENDATION: The Leisure Services staff approved this request in December, 2008.

**J. Recommendations for the Various Boards and Committees.** CITY CLERK

SUMMARY OF REQUEST: To concur with the recommendations from the Community Relations Committee regarding appointments and resignations.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval.

COMMITTEE RECOMMENDATION: The Community Relations Committee recommended approval at their January 5, 2009, meeting.

**Motion by Commissioner Carter, second by Commissioner Shepherd to approve the Consent Agenda as read minus items C, K, and L.**

**ROLL VOTE: Ayes: Wierengo, Wisneski, Carter, Gawron, Shepherd, Spataro, and Warmington**

**Nays: None**

***MOTION PASSES***

**2009-03 ITEMS REMOVED FROM THE CONSENT AGENDA:**

**C. Rezoning Request for Properties Located at 1264 Terrace Street and 185 E. Isabella Avenue.** PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Request to rezone the properties located at 1264 Terrace Street and 185 E. Isabella Avenue, from R, One Family Residential District to OSR, Open Space Recreation District.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Staff recommends approval of the request.

COMMITTEE RECOMMENDATION: The Planning Commission recommended approval of the request at their December 11<sup>th</sup> meeting. The vote was unanimous with B. Mazade, B. Smith, and J. Aslakson absent.

**Motion by Commissioner Spataro, second by Vice Mayor Gawron to approve the rezoning request for properties located at 1264 Terrace Street and 185 E. Isabella Avenue.**

**ROLL VOTE: Ayes: Carter, Gawron, Shepherd, Spataro, Warmington, Wierengo, and Wisneski**

**Nays: None**

***MOTION PASSES***

**K. Gaming License Request for USS LST 393 Preservation Association.** CITY CLERK

SUMMARY OF REQUEST: The USS LST 393 Preservation Association is requesting a resolution recognizing them as a non-profit organization operating in the City for the purpose of obtaining a Gaming License. They have been recognized as a 501(c)(3) organization by the State.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval.

**Motion by Commissioner Spataro, second by Commissioner Shepherd to approve the Gaming License Request for USS LST 393 Preservation Association.**

**ROLL VOTE: Ayes: Wisneski, Carter, Gawron, Shepherd, Spataro, Warmington, and Wierengo**

**Nays: None**

***MOTION PASSES***

**L. Liquor License Transfer Request for CJ's on the Beach, LLC, 1601 Beach Street.** CITY CLERK

SUMMARY OF REQUEST: The Liquor Control Commission is seeking local recommendation on a request from CJ's on the Beach, LLC, to transfer ownership of the 2008 Class C and SDM Licensed Business with Outdoor Service

(2 Areas), Dance-Entertainment Permit, Drive-up Window without Alcohol Beverage Sales, and 2 Bars located at Pere Marquette Park, 1601 Beach Street, Pavilion Bldg., from BLMC Enterprises, Inc.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: All departments are recommending approval.

**Motion by Commissioner Wisneski, second by Commissioner Spataro to approve the liquor license transfer request for CJ's on the Beach, LLC.**

**ROLL VOTE: Ayes: Gawron, Shepherd, Spataro, Warmington, Wierengo, Wisneski, and Carter**

**Nays: None**

***MOTION PASSES***

**2009-04 PUBLIC HEARINGS:**

**A. Request for an Industrial Facilities Exemption Certificate for AFI Machining. PLANNING & ECONOMIC DEVELOPMENT**

SUMMARY OF REQUEST: Pursuant to Public Act 198 of 1974, as amended, AFI Machining, 1920 Port City Blvd., has requested the issuance of an Industrial Facilities Tax Exemption Certificate. The total capital investment will be \$1,366,766 in personal property and will create between four to eight jobs within the first two years of project completion. This qualifies them for a tax abatement of seven years under the current City policy. However, since this project has the potential of creating 50-75 jobs within the next three to five years, the applicant would like to apply for a 12-year abatement.

FINANCIAL IMPACT: The City will capture certain additional property taxes generated by the expansion.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the resolution granting an Industrial Facilities Exemption Certificate for a term of 12 years for personal property.

The Public Hearing opened to hear and consider any comments from the public. Comments were heard from Steve Kutches, President of AFI Machining, 1920 Port City Blvd.; and from Leland Davis, 125 Delaware.

**Motion by Commissioner Carter, second by Commissioner Spataro to close the Public Hearing and approve the Industrial Facilities Exemption Certificate for AFI Machining for 12 years.**

**ROLL VOTE: Ayes: Shepherd, Spataro, Warmington, Wierengo, Wisneski, Carter, and Gawron**

**Nays: None**

***MOTION PASSES***

**B. Request for an Industrial Facilities Exemption Certificate for AFI Hole**

**Drill.** PLANNING & ECONOMIC DEVELOPMENT

SUMMARY OF REQUEST: Pursuant to Public Act 198 of 1974, as amended, AFI Hole Drill, 1920 Port City Blvd., has requested the issuance of an Industrial Facilities Tax Exemption Certificate. The total capital investment will be \$576,536 in personal property and will create between two to four jobs within the first two years of project completion. This qualifies them for a tax abatement of six years under the current City policy. However, since this project has the potential of creating 50-75 jobs within the next three to five years, the applicant would like to apply for a 12-year abatement.

FINANCIAL IMPACT: The City will capture certain additional property taxes generated by the expansion.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: Approval of the resolution granting an Industrial Facilities Exemption Certificate for a term of 12 years for personal property.

The Public Hearing opened to hear and consider any comments from the public. No comments were made.

**Motion by Commissioner Wisneski, second by Commissioner Shepherd to close the Public Hearing and approve the resolution granting an Industrial Facilities Exemption Certificate for AFI Hole Drill for a term of 12 years.**

**ROLL VOTE: Ayes: Spataro, Warmington, Wierengo, Wisneski, Carter, Gawron, and Shepherd**

**Nays: None**

***MOTION PASSES***

**2009-05 NEW BUSINESS:**

**A. Liquor License Request for Muskegon Athletic Club, LLC, 333 Western, Suite B.** CITY CLERK

SUMMARY OF REQUEST: The Liquor Control Commission is seeking local recommendation on a request from Muskegon Athletic Club, LLC, for a new Additional Bar Permit for a total of 2 Bars and a new SDM License to be held in conjunction with the 2008 Class C License with Sunday Sales Permit, Dance-Entertainment Permit, Outdoor Service (1 area), and Official permit (food) located at 333 Western, Suite B.

FINANCIAL IMPACT: None.

BUDGET ACTION REQUIRED: None.

STAFF RECOMMENDATION: All departments are recommending approval.

**Motion by Commissioner Spataro, second by Vice Mayor Gawron to approve the liquor license request for Muskegon Athletic Club, LLC, 333 Western, Suite B.**

**ROLL VOTE: Ayes: Warmington, Wierengo, Wisneski, Carter, Gawron, Shepherd, and Spataro**

**Nays: None**

***MOTION PASSES***

**PUBLIC PARTICIPATION:** County Commissioners Charles Nash and Bill Gill invited the Commission and City of Muskegon to the Great Lakes Naval Memorial and Museum February events to honor Black History Month. Veterans Recognition Night is Friday, February 27<sup>th</sup>.

**ADJOURNMENT:** The City Commission Meeting adjourned at 6:20 p.m.

Respectfully submitted,

Ann Marie Becker, MMC  
City Clerk



Commission Meeting Date: January 27, 2009

Date: January 8, 2009  
To: Honorable Mayor & City Commission  
From: Planning & Economic Development & Leisure Services  
RE: Michigan Natural Resources Trust Fund Grant Development Project Agreement for Smith-Ryerson Park and to Guarantee that the City has the Match Funding Amount.

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**SUMMARY OF REQUEST:**

The City had received the Development Project Agreement from the State. The Mayor had signed the agreement and it was submitted to the State. The State has requested that we supply an updated resolution for the Smith-Ryerson Park Improvements approving the agreement and that the City guarantee the matching fund amount of \$158,400 (27%) of the grant amount.

**FINANCIAL IMPACT:**

There is no impact for the 2009 budget year as this has already been budgeted.

**BUDGET ACTION REQUIRED:**

None.

**STAFF RECOMMENDATION:**

To approve the resolution approving the Development Project Agreement for Smith-Ryerson Park Improvements and guarantee the matching funds, and to have the Mayor and Clerk sign the attached resolution.

**COMMITTEE RECOMMENDATION:**

None.

RESOLUTION NO. \_\_\_\_\_  
MUSKEGON CITY COMMISSION

RESOLUTION APPROVING THE DEVELOPMENT PROJECT AGREEMENT FOR SMITH-RYERSON PARK IMPROVEMENTS, PROJECT NUMBER TF07-060, AND FOR THE GRANT MATCH.

WHEREAS, the City of Muskegon, Michigan, does hereby accept the terms of the Agreement as received from the Michigan Department of Natural Resources, and that the City of Muskegon does hereby specifically agree, but not by way of limitation;

WHEREAS, the City of Muskegon has appropriate funds necessary to complete the project during the project period and to provide One Hundred Fifty-Eight Thousand Four Hundred (\$158,400.00) dollars (Twenty-Seven (27%) percent) to match the grant authorized by the DEPARTMENT;

WHEREAS, the City of Muskegon will maintain satisfactory financial accounts, documents, and records to make them available to the DEPARTMENT for auditing at reasonable times.

WHEREAS, the City of Muskegon will construct the project and provide such funds, services, and materials as may be necessary to satisfy the terms of said Agreement;

WHEREAS, the City of Muskegon will regulate the use of the facility constructed and reserved under this Agreement to assure the use thereof by the public on equal and reasonable terms;

WHEREAS, the City of Muskegon will comply with any and all terms of said Agreement including all terms not specifically set forth in the foregoing portions of this Resolution;

NOW, THEREFORE BE IT RESOLVED by the Muskegon City Commission of the City of Muskegon, Michigan that the City Commission is approving the submittal of the Development Project Agreement for Smith-Ryerson Park Improvements, Project Number TF07-060 and for the Grant Match of One Hundred Fifty-Eight Thousand Four Hundred (\$158,400.00) dollars (Twenty-Seven (27%) percent).

Adopted this 27<sup>th</sup> day of January, 2009

Ayes:

Nays:

Excused:

By: \_\_\_\_\_  
Stephen J. Warmington, Mayor

Attest: \_\_\_\_\_  
Ann Marie Becker, MMC, City Clerk

## CERTIFICATION

I do hereby certify that the foregoing is a true and original copy of a resolution adopted by the City Commission of the City of Muskegon at a regular meeting thereof held on January 27, 2009.

By: \_\_\_\_\_  
Ann Marie Becker, MMC, City Clerk

CITY COMMISSION MEETING  
Tuesday January 27, 2009

TO: Honorable Mayor and City Commissioners

FROM: Anthony L. Kleibecker  
Director of Public Safety

DATE: January 15, 2009

SUBJECT: Ammunition Purchase

SUMMARY OF REQUEST:

The Director of Public Safety is requesting approval of the purchase of ammunition for the 2009 calendar year. The request includes both practice and duty ammunition.

Two vendors replied to our bid requests; Michigan Police Equipment, 6521 Lansing Road, Charlotte, MI. and CMP Distributors, 6539 Westland Way, Lansing, MI. Based upon the bids that were received I am recommending CMP Distributors.

FINANCIAL IMPACT:

None

BUDGET ACTION REQUIRED:

Provided for in 2009 budget.

STAFF RECOMMENDATION:

Approval of this request.

MUSKEGON POLICE DEPARTMENT  
CITY OF MUSKEGON  
TELEPHONE BID TABULATION FORM

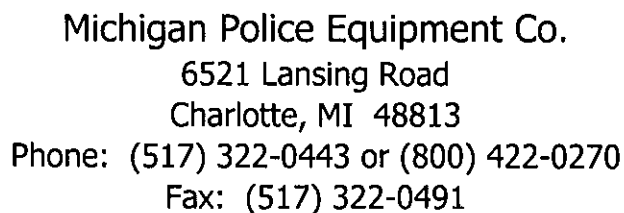
Date: 1-13-09

Employee: J Geiger

	Bidder #1	Bidder #2	Bidder #3
Vendor		Michigan Police Equipment	Harrington ammo
Address		6521 Lansing Rd Charlotte, Mi 48813	
Telephone Number		1-800-422-0270	
Fax Number		1-517-322-0491	
Accept Mastercard			
Quoted By		Jennifer Wrubel	Chuck

Description & Quantity	Unit Price	Total	Unit Price	Total	Unit Price	Total
Winchester Q4170 45cal FMJ 230 Gr			14,000 rnds at \$410.00 per 1,000	\$5740.00	Left messages on phone - NONE RETURNED.	
Winchester USA9mm 124 Gr FMJ			2,500 rnds at \$241.00 per 1,000	\$603.50		
Winchester 380						
Remington L223R3 FMJ 55 Gr			9,000 rnds at \$408.00 per 1000	\$3,672.00		
Federal LE45T1 230 Gr HP			2,000 rnds at \$470.00 per 1000	\$940.00		
Federal LE9T1 124 Gr			600 rnds at \$.43 per round	\$258.00		
Federal P380HS1G 90 Gr Hydrashok			1,500 rnds at \$491.00 per 1,000	\$736.00		
Targets TCQ-95A			1,000 at \$120.00 per 500	\$240.00		
Shipping charges not included			Total with no tax	\$12,189.50		

Bidder \_\_\_\_\_ approved by \_\_\_\_\_

[illegible]

Subtotal	\$12,189.50
SHIPPING	WILL APPLY
Grand Total	

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MUSKEGON POLICE DEPARTMENT  
CITY OF MUSKEGON  
TELEPHONE BID TABULATION FORM

Date: 1-13-09 Employee: J. Geiger

	Bidder #1	Bidder #2	Bidder #3
Vendor	CMP Distributors Inc		
Address	6539 Westland Way Suite 21&22		
Telephone Number	517-721-0970/866-721-0970		
Fax Number	517-721-0974		
Accept Mastercard			
Quoted By	Catherine Parks		

Description & Quantity	Unit Price	Total	Unit Price	Total	Unit Price	Total
Federal AE45A American Eagle 45 Auto 230 Grn FMJ 1000 rnd case	14 cases at \$260.00 per case	\$3640.00				
Federal AE9AP American Eagle 9mm Luger 124 GRN FMJ 1000 Rnd case	2 cases at \$175.00 per case	\$350.00				
Federal AE9AP American Eagle 9mm Luger 124 GRN FMJ 50 rnd box	10 Boxes at \$8.75 per box	\$87.50				
Federal AE380AP American Eagle 380 auto 95 grn FMJ 1000 rnd case	2 cases at \$215.00	\$430.00				
Federal XM193 5.56mm 55grn 500 rnds per case	18 cases at \$187.50	\$3,375.00				
Federal LE45T1 Centerfire 45 Auto 230 grn THP+P 1000 rnd case	2 cases at \$415.00	\$830.00				
Federal LE9T1 Centerfire 9mm Luger 124 Grn THP-1000 rnds case	1 case at \$378.00	\$378.00				
Federal P380HS1G Hydra-Shok Premium 380 Auto 90 Grn HSHP-1000rnd case	1 case at \$433.00	\$433.00				
U.S. Target TCQ-95A 500 per box	2 boxes at \$110.00	\$220.00				
Shipping charges Additional	Total with no tax	\$9,743.50				

Bidder \_\_\_\_\_ approved by \_\_\_\_\_

**C.M.P. Distributors, Inc.**6539 Westland Way, Suite 21 & 22  
Lansing, MI 48917

Toll Free: 866-721-0970

Phone: 517-721-0970  
Fax: 517-721-0974Phone: 313-274-2673  
Fax: 313-274-0037

# QUOTE

Date: 12/23/2008

QUOTE # 1346

Expiration Date: 12/31/2008

TO Jeff Geiger  
MUSKEGON POLICE DEPARTMENT  
980 JEFFERSON  
MUSKEGON, MI 49440

Salesperson	Delivery Date	Payment Terms
Catherine M. Parks		Net 30

Description	Qty.	Unit Price	Line Total
Federal AE45A American Eagle 45 auto 230Gr. FMJ 1000Rd. Case	14	\$260.00	\$3,640.00
Federal AE9AP American Eagle 9mm Luger 124Gr. FMJ 1000Rd. Case	2	\$175.00	\$350.00
Federal AE9AP American Eagle 9mm Luger 124Gr. FMJ 50Rd. Bx	10	\$8.75	\$87.50
Federal AE380AP American Eagle 380 auto 95Gr. FMJ 1000Rd. Case	2	\$215.00	\$430.00
Federal XM193 5.56mm, 55 Grain Ball, 500- Case	18	\$187.50	\$3,375.00
Federal LE45T1 Centerfire 45 auto 230 Gr. THP+P 1000Rd. Case	2	\$415.00	\$830.00
Federal LE9T1 Centerfire 9mm Luger 124 Gr. THP 1000Rd. Case	1	\$378.00	\$378.00
Federal P380HS1G Hydra-Shok Premium 380 auto 90 Gr. HSHP 1000Rd. Case	1	\$433.00	\$433.00
U.S. Target TCQ-95A (500/box)	2	\$110.00	\$220.00
* Shipping charges are additional. Please note that due to unstable fuel surcharges, all verbal and written freight estimates are subject to change.			
Subtotal:			\$9,743.50
Sales Tax:			\$0.00
Total:			\$9,743.50

Quotation prepared by: \_\_\_\_\_

This is a quotation on the goods named, subject to the conditions noted below:

1. Pricing is good for 30 days unless otherwise noted.
2. Please include the quote number on all correspondence to insure proper pricing when ordered/purchased.

If you have any questioned regarding this quote please contact  
Maureca Wolf by e-mail, [mwolf@cmpdist.com](mailto:mwolf@cmpdist.com) or Catherine Parks by e-mail, [cmparks@cmpdist.com](mailto:cmparks@cmpdist.com) or cell 517-974-4276

To accept this quotation, sign here and return: \_\_\_\_\_

**Thank you for your business!**



Date: January 27, 2008

To: Honorable Mayor and City Commissioners

From: Finance Director

RE: Assessing Services Contract

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**SUMMARY OF REQUEST:** Since 1999 the city has contracted with the Muskegon County Equalization Department for property tax assessing services. Providing assessing services this manner avoids duplication of effort between the city and the county and is more efficient than staffing our own assessing department. For example, 1998 costs for supporting an in-house assessing operation were \$326,414. Inflating this figure at a conservative 4.5% annual rate to account for employee wage and benefit growth results in an estimated 2009 cost for an in-house operation of \$529,722. The 2009 base year cost of the contract with the County will be \$459,300. The contract price is adjusted annually in accordance with year-over-year changes in the city's tax base.

The proposed contract term is three years with a two year extension possible; the previous contract was for ten years. Other changes from the existing contract mostly involve operational adjustments to better meet the needs of city offices that utilize assessing data. Also, the contract provides for the possibility that Equalization Department staff may be moved from City Hall to enhance efficiency. However, this change requires discussion and formal approval of the City Commission.

**FINANCIAL IMPACT:** The base year cost of the contract is \$459,300.

**BUDGET ACTION REQUIRED:** None at this time. The contract cost is within budget expectations.

**STAFF RECOMMENDATION:** Approval of the attached contract.

**AGREEMENT BETWEEN THE CITY OF MUSKEGON  
AND  
MUSKEGON COUNTY BOARD OF COMMISSIONERS**

THIS AGREEMENT, entered into as of the 1<sup>st</sup> day of April 2009, between the City of Muskegon, a municipal corporation, by its City Commission, hereinafter referred to as "Municipality", and the County of Muskegon, by its Board of Commissioners, hereinafter referred to as the "County", is as follows:

**PURPOSE**

The purpose of this Agreement is to provide for a property assessment administration program to be administered by the County Equalization Director, or designated representative of the County, which will list, appraise, and maintain a complete set of records for all real and personal property, subject to ad valorem taxation, specific taxes, in-lieu-of tax agreements, and exempt properties within the Corporate limits of the Municipality, pursuant to Public Act No. 160 of 1972.

I. **TERM** - The agreement shall commence April 1 of 2009, and terminate March 31, 2012, provided that either party may terminate the Agreement on March 31 of each year upon one year prior written notice. The notice shall be sent by certified mail to the County Equalization Director if terminated by the Municipality. The notice shall be sent by certified mail to the City Manager if terminated by the County. By mutual written consent, this contract may be renewed for an additional two years (not to exceed a total of five years, including the original term).

II. **SCOPE OF SERVICE** – The Equalization Department will classify and appraise, according to the constitution and laws of the State of Michigan, each parcel of real property within the confines of the Municipality and process all assessable personal property that is in the Municipality using methods prescribed by the Michigan State Tax Commission. The Equalization Department will provide an assessment roll that will equal the tentative State Equalized Values for each classification of property. The final factor will be determined by the action of the Municipality's Board of Review and the process of state equalization as determined by the State Tax Commission.

III. **COUNTY EQUALIZATION DEPARTMENT'S OBLIGATIONS** - The County agrees to perform the services and provide the materials set forth herein:

A. **QUALIFIED STAFF** - All County employees engaged in the performance of this Agreement shall be professional in manner and appearance and be trained in property appraisal techniques. The County Equalization Director shall be certified by the State Assessor's Board at Level IV.

B. **EQUIPMENT AND SUPPLIES** - The County will provide all equipment and supplies needed for the routine performance of its duties without additional expenses, except as otherwise set forth herein.

# ASSESSMENT ADMINISTRATION CONTRACT

## CITY OF MUSKEGON

C. **APPRAISAL MANUALS/SCHEDULES** - The current Michigan State Tax Commission Assessor's Manuals shall be the cost schedules used by County Staff in the appraisal of all properties. All cost schedules shall be indexed to reflect current costs as of Tax Day.

D. **RECORD CARDS** - The County will maintain the master file at a specified location. The master file shall become the property of the Municipality when delivered.

E. **PUBLIC RELATIONS** - Good public relations are vital to the success of the assessment administration program. During the terms of this Agreement, County employees shall endeavor to promote understanding and amicable relations with all members of the public. County Staff will be assigned by the Equalization Director to report at the designated Municipal Building to conduct their duties, interact with Municipal Staff, attend meetings, and promote community relations.

F. **PROPERTY OWNER NOTIFICATION AND OFFICIAL STATEMENTS** - The County shall notify the property owners of increased assessed and taxable values, as provided by law, as well as distribute personal property statements and other official forms.

G. **ASSESSMENT ROLL** - The County shall prepare the assessment roll and certify the same for the Municipality in a timely manner.

H. **BOARD OF REVIEW** - County Staff will advise and assist the Municipality's Board of Review in preparing for, conducting, and implementing any changes resulting from the required meeting of the Board.

I. **APPEALS** - The County Equalization Director or designated representative shall represent the Municipality in all property assessment appeals and in proceedings before the Tax Tribunal concerning properties under this Agreement. The Municipality shall designate and provide the legal services for such appeals or proceedings filed during the existence of this agreement; however, costs or expenses which may be incurred by the County in employing additional counsel, expert appraisers, or performing extraordinary specific appraisal work in connection with such appeals, proceedings, or other functions shall be paid by the Municipality provided that the Equalization Director seeks and obtains approval from the Municipality prior to incurring such costs or expenses. Any counsel retained to handle appeals shall work under the direction of the Equalization Director. Additionally, should either party terminate this agreement, the County or designated representative shall represent the Municipality in all property assessment appeals and in proceedings filed during the existence of this agreement. The fee

## ASSESSMENT ADMINISTRATION CONTRACT

### CITY OF MUSKEGON

shall be \$55.00 per hour for preparation, appearance, and travel after termination of the agreement.

J. **COMPUTERIZED APPRAISALS AND INFORMATION TECHNOLOGY** – The County will provide staff, equipment, and software to maintain electronic property records using a computer assisted mass appraisal system. Assessment administration, including digital photography and sketching, as well as general business application software shall be supplied by the County. All property information shall adhere to the requirements of the County Wide Area Network and its specifications. The records will be utilized for annual valuation updates. The County may request the assistance of designated staff of the Municipality to determine proper neighborhoods for market value determinations. The County will ensure that the assessment records reflect the property's true cash value, assessed valuation, and taxable valuation to be utilized for any property tax calculations in conformance with applicable General Property Tax Law requirements. The computer assisted mass appraisal system and its attributes shall become the property of the Municipality upon termination of this agreement.

K. **SPECIAL ASSESSMENTS** - The County will provide special assessment benefit analyses, roll preparation, processing, and related reports when formally requested for a fee of \$55.00 per hour.

L. **RECORDS MAINTENANCE AND ACCESS** – The County agrees to maintain records with the most current information the County has available.

1. All changes in property ownership will be recorded in the assessment records within thirty days of being filed with the Muskegon County Register of Deeds unless incomplete property documentation prevents timely recording. In these cases, the Equalization Office will strive to get complete accurate ownership information recorded as quickly as practical.

2. City staff will be afforded full access to assessment records (including photographs).

3. Assessment records are to be maintained at City Hall during the term of this agreement, unless mutually agreed that these records may be maintained at another location. The County will ensure full electronic/computer access to record sets not physically maintained at City Hall.

IV. **MUNICIPALITY'S OBLIGATIONS** - The Municipality shall provide the following to the County:

A. **MAPS AND RECORDS** - The Municipality shall provide current land use maps, zoning maps, street/centerline maps, plats, topographical maps,

# ASSESSMENT ADMINISTRATION CONTRACT

## CITY OF MUSKEGON

sewer and water maps, and supply any records or data which may be useful in appraising the property, without charge to the County.

B. **WORK AREA AND INFRASTRUCTURE** The Municipality will provide adequate office area and operational infrastructure, such as telecommunication, data communication, utilities, networking capabilities, and electronic storage capacity, to adequately support required staff activities and necessary ancillary functions without charge to the County. The accommodations shall be safe, modern, and reflect a professional function. All electronic data interfaces shall be compatible with County information protocols and standards.

When systems or resources are scheduled to be shutdown, the County shall be notified 48 hours in advance to allow for alternate staff assignments. When possible, system maintenance should not be scheduled during regular business hours. Any maintenance that is performed on the County's computer equipment by Municipal representatives should be coordinated with a representative of the County Information Systems Department when feasible to avoid conflicts in configuration and application issues.

C. Subject to the approval of the city commission this contract can be amended to allow county staff to be moved offsite during the term of this agreement.

V. **FEES AND PAYMENTS** - The County will perform all the above services for the Municipality, subject to fees and expenses set forth and under the terms and conditions herein:

A. **FEES** - For each year of this agreement the annual fee shall be calculated in the following manner: The fee for the base year, which is from April 1, 2009 to March 31, 2010, shall be \$459,300 (base annual fee). The base Annual Fee of \$459,300 shall be multiplied by the Growth Index effective, and annually on this date for every year throughout the term of this agreement. The Growth Index is determined by dividing the Municipality's current year aggregate taxable value by the Municipality's previous year's aggregate taxable value as published in the Equalization Report. The index shall be compounded annually.

B. **PAYMENTS** - The Municipality shall remit the annual fee in equal quarterly payments.

## VI. **MISCELLANEOUS**

A. **SECTION HEADINGS** - The headings of the several sections, and any Table of Contents appended hereto, shall be solely for convenience of reference and shall not affect the meaning, construction or effect hereof.

# ASSESSMENT ADMINISTRATION CONTRACT

## CITY OF MUSKEGON

B. **SEVERABILITY** - If any one or more of the provisions contained herein shall for any reason be held to be invalid, illegal, or unenforceable in any respect, then such provision or provisions shall be deemed severable from the remaining provisions hereof, and such invalidity, illegality, or unenforceability shall not affect any other provision hereof, and this Agreement shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

C. **ENTIRE AGREEMENT AND AMENDMENT** - In conjunction with matters considered herein, this Agreement contains the entire understanding and agreement of the parties and there have been no promises, representations, agreements, warranties, or undertakings by any of the parties, either oral or written, of any character or nature hereafter binding except as set forth herein. This Agreement may be altered, amended or modified only by an instrument in writing, executed by the parties to this Agreement and by no other means. Each party waives their future right to claim, contest or assert that this Agreement was modified, canceled, superseded or changed by any oral agreements, course of conduct, waiver or estoppel.

D. **SUCCESSORS AND ASIGNS** - All representations, covenants, and warranties set forth in the Agreement by or on behalf of, or for the benefit of any or all of the parties hereto, shall be binding upon and inure to the benefit of such party, its successors and assigns.

E. **TERMS AND CONDITIONS** - The terms and conditions used in this Agreement shall be given their common and ordinary definition and will not be construed against either party.

F. **EXECUTION OF COUNTERPARTS** - This Agreement may be executed in any number of counterparts and each such counterparts shall for all purposes be deemed to be an original; and all such counterparts, or as many of them as the parties shall preserve undestroyed, shall together constitute one and the same instrument.

### **ACKNOWLEDGEMENTS**

By: \_\_\_\_\_

Steve Warmington

Its: Mayor

By: \_\_\_\_\_

Ann Marie Becker

Its: City Clerk

ASSESSMENT ADMINISTRATION CONTRACT

CITY OF MUSKEGON

Approved as to Form:

---

John C. Schrier, City Attorney

County of Muskegon:

By: \_\_\_\_\_

Kenneth Mahoney

Its: Chairman Board of Commissioners

By: \_\_\_\_\_

Nancy Waters

Its: Clerk

Approved as to Form:

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Theodore Williams, Corporate Counsel

**Date:** January 19<sup>th</sup>, 2009

**To:** Honorable Mayor and City Commission

**From:** Department of Public Works

**RE:** New Cingular Wireless Amended Tower Lease Agreement

**SUMMARY OF REQUEST:** New Cingular Wireless PCS, LLC a Delaware Corporation and the Department of Public Works have been in negotiations to amend the 1998 lease agreement for the Nims Street and Marshall Street Water Towers. The lease shall be amended to increase the current monthly rent, for two sites, from \$2,217 per month to \$4,470 per month.

The amended Lease will terminate the wireless phones and phone service agreement (original value \$1,170 / month) previously provided to the City and will allow New Cingular Wireless to install on each Water Tower up to a total of 6 Antennas.

**FINANCIAL IMPACT:** Monthly rental will begin on March 1, 2009 at \$4,470 per month to be escalated at the rate of 3% per year annually. Revenue generated from the rental of the Tower space shall be used to offset Water Tank Maintenance Projects and purchase Wireless Phones and service.

**BUDGET ACTION REQUIRED:** None:

**STAFF RECOMMENDATION:** To approve of the Amended Lease Agreement and to authorize the Mayor and Clerk to sign.



Cell Site Name & Number: GRANMIU 5602 Marshall WT  
FA No: 10124756  
Cell Site Name & Number: GRANMIU 5603 Nims WT  
FA No: 10124755

### **FIRST AMENDMENT TO THE SITE LEASE**

THIS FIRST AMENDMENT TO THE SITE LEASE ("**First Amendment**") is made this \_\_\_\_ day of \_\_\_\_\_, 2009, by and between City of Muskegon, a Michigan municipal corporation, whose address is 933 Terrace Street, Muskegon, Michigan 49443 ("**Owner**"), and New Cingular Wireless PCS, LLC, a Delaware limited liability company, with an address of 12555 Cingular Way, Suite 1300, Alpharetta, Georgia 30004, as successor in interest to Dobson Cellular Systems, Inc. ("**Tenant**").

### **W I T N E S S E T H:**

**WHEREAS**, Owner and Tenant's predecessors-in-interest entered into that certain Site Lease on October 1, 1998 (the "**Site Lease**"), whereby Tenant was granted the right to use certain space on the Property of existing Water Tanks commonly known as "Marshall Street Water Tank" and "Nims Street Water Tank", for the construction, operation and maintenance of a telecommunications facility; and

**WHEREAS**, the parties agree to modify certain terms of the Site Lease as more particularly described below; and

**NOW, THEREFORE**, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. Owner and Tenant agree and acknowledge that Section 4 of the Site Lease shall be amended to increase the monthly rent to Four Thousand Four Hundred Seventy and NO/100 Dollars (\$4,470.00) per month effective the earlier of installation of equipment depicted in paragraph 2 of this amendment, or on March 1, 2009. A rent escalation of 3% annually will be in force during the terms of this Site Lease and First Amendment. The Rent payments for any partial months shall be appropriately prorated
2. Owner and Tenant agree and acknowledge that Tenant may install on each water tank sites, up to a total of Six (6) Dual band PCS antennas; Twelve (12) lines of coaxial cables; Twelve (12) TMAs-Antenna amplifiers, and ground equipment radio/power equipment within the compound as depicted in the Exhibit A as part of the Antenna Facilities.

Cell Site Name & Number: GRANMIU 5602 Marshall WT

FA No: 10124756

Cell Site Name & Number: GRANMIU 5603 Nims WT

FA No: 10124755

3. Owner and Tenant agree and acknowledge that all phones and calling plan service that may have been previously provide by Tenant to Owner as part of the rent under the signed Letters{ 15 letters) dated December 8, 1998 is hereby terminated and all references to Tenant providing phones and calling plans to owner at no charge.
4. Owner and Tenant agree and acknowledge that Tenant's notice address shall be changed to the following notices:

(For Certified Mail)

New Cingular Wireless PCS, LLC

Attn: Network Real Estate Administration

**Re: Cell Site Name: Marshall WT**

**Cell Site No.GRANMIU5602 / Fixed Asset No: 10124756**

12555 Cingular Way, Suite 1300

Alpharetta, GA 30004

(For Overnight Mail)

New Cingular Wireless PCS, LLC

Attn: Network Real Estate Administration

**Re: Cell Site Name: Marshall WT**

**Cell Site No.GRANMIU5602 / Fixed Asset No: 10124756**

12555 Cingular Way, Suite 1300

Alpharetta, GA 30004

With a copy to:

New Cingular Wireless PCS, LLC

Attn.: Legal Department

**Re: Cell Site Name: Marshall WT**

**Cell Site No.GRANMIU5602 / Fixed Asset No: 10124756**

15 East Midland Ave

Paramus, NJ 07652

(For Certified Mail)

New Cingular Wireless PCS, LLC

Attn: Network Real Estate Administration

**Re: Cell Site Name: Nims WT**

**Cell Site No.GRANMIU5603 / Fixed Asset No: 10124755**

12555 Cingular Way, Suite 1300

Alpharetta, GA 30004

Cell Site Name & Number: GRANMIU 5602 Marshall WT  
FA No: 10124756  
Cell Site Name & Number: GRANMIU 5603 Nims WT  
FA No: 10124755

(For Overnight Mail)  
New Cingular Wireless PCS, LLC  
Attn: Network Real Estate Administration

12555 Cingular Way, Suite 1300  
Alpharetta, GA 30004  
**Re: Cell Site Name: Nims WT**  
Cell Site No.GRANMIU5603 / Fixed Asset No: 10124755

With a copy to:

New Cingular Wireless PCS, LLC  
Attn.: Legal Department  
**Re: Cell Site Name: Nims WT**  
**Cell Site No.GRANMIU5603 / Fixed Asset No: 10124755**  
15 East Midland Ave  
Paramus, NJ 07652

5. Except as amended hereby, the Site Lease is hereby ratified and confirmed by the parties and shall remain in full force and effect until its expiration or earlier termination. Except as provided in this Amendment, every term, condition and agreement contained in the Site Lease will remain in full force and effect. If there is any inconsistency between the terms of the Site Lease and the terms of this Amendment, the terms of the First Amendment will govern.

(SIGNATURES ON THE FOLLOWING PAGE)

Cell Site Name & Number: GRANMIU 5602 Marshall WT  
FA No: 10124756  
Cell Site Name & Number: GRANMIU 5603 Nims WT  
FA No: 10124755

**IN WITNESS WHEREOF**, Owner and Tenant have executed this First Amendment on the day and year first above written.

**CITY OF MUSKEGON**  
A Michigan municipal corporation

By: \_\_\_\_\_

Name: Stephen J. Warmington

Its: Mayor

Date: \_\_\_\_\_

By: \_\_\_\_\_

Name: Ann Marie Becker

Its: City Clerk

Date: \_\_\_\_\_

**NEW CINGULAR WIRELESS PCS, LLC**  
a Delaware Limited Liability Company  
By: AT&T Mobility Corporation  
Its: Manager

By: \_\_\_\_\_

Name: Jeffrey Kellerman

Title: Real Estate and Construction Manager

Date: \_\_\_\_\_

Cell Site Name & Number: GRANMIU 5602 Marshall WT

FA No: 10124756

Cell Site Name & Number: GRANMIU 5603 Nims WT

FA No: 10124755

Exhibit A  
Site Modification Drawings

**Date: January 27, 2009**  
**To: Honorable Mayor and City Commissioners**  
**From: Engineering**  
**RE: Request for Encroachment Agreement**  
**1788 Terrace St. – Rykes Bakery**

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**SUMMARY OF REQUEST:**

Rouwhorst Investments, LLC has submitted the attached encroachment agreement application requesting your permission to attach a 28' 3" awning to the existing mansard roof which will extend over the public sidewalk.

**FINANCIAL IMPACT:**

None

**BUDGET ACTION REQUIRED:**

None

**STAFF RECOMMENDATION:**

To approve the encroachment agreement for installing the awning as per the attached plan.

**COMMITTEE RECOMMENDATION:**

Delivered to  
Engineering

CITY OF MUSKEGON

ENCROACHMENT PERMIT AGREEMENT

REQUEST: A one-hundred dollar (\$100.00) non-refundable fee is required for processing of request.

1. LICENSEE proposes to install, repair or maintain improvements or facilities ("the encroachment"), in or abutting a street, alley, sidewalk, park, terrace or other property controlled or owned by the City of Muskegon, the encroachment being described as: (Attach exhibits) (1 unit equals 0-99 lineal feet)

An awning being attached to an <sup>existing</sup> Mansard roof  
along with a windcurtain being installed directly  
adjacent to an existing sidewalk

2. The City-owned or controlled property (herein "property") subject to the encroachment is described as: [please insert a general description, and if required by the CITY, an accurate legal description]

# 61-24-205-306-0005-00  
1788 Terrace St. - \*See Attached Legal Description

3. The CITY is willing to grant such privilege upon the terms and conditions herein. This agreement shall constitute a permit under Chapter 74 of the Code of City Ordinances, and with all future amendments shall apply to any encroachment on public right of way or property.

PERMIT AGREEMENT:

THIS AGREEMENT is made and entered into this \_\_\_\_ day of \_\_\_\_\_, by and between the CITY OF MUSKEGON, a municipal corporation (hereinafter called CITY), and Rouwhorst Investments, LLC (hereinafter called LICENSEE).

THEREFORE,

1. CITY does hereby grant unto LICENSEE the privilege of constructing, installing, maintaining, repairing and performing all necessary functions relating to the encroachment, and for that purpose to enter the property, for the term herein stated. This privilege shall be effective upon the delivery to the CITY of the required evidence of insurance coverage as outlined in paragraph 4 under this section and only after approval of this agreement by the City Commission and at which time an encroachment permit will be issued.

This grant is subject to the following special conditions: see supplemental  
conditions attached.

2. That LICENSEE shall pay to the CITY for the privilege hereby granted the sum of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_), per unit as described under Request, paragraph 1, applicable to the current Master Fee Resolution. Such payment is to be made upon the signing of this agreement to the City of Muskegon, and the privilege hereby granted shall continue for a period of five years from said date and renewal payment as set in the Master Fee Resolution to continue in five year intervals due on the first day of May unless sooner terminated as hereinafter provided.

3. INDEMNIFICATION. The LICENSEE shall indemnify and save harmless said GRANTOR of and from any liability for claims, damages, costs, expenses, or fees, including any attorney fees, or fines or awards brought against or charged to the CITY by any person, firm or corporation on account of or arising from the privilege hereby granted to LICENSEE or the activities of the LICENSEE related to the encroachment or this privilege. This indemnification obligation shall include all liabilities for environmental damage or releases of hazardous substances subject to any governmental or third party action. "Hazardous substance" is defined as any material constituting a prohibited or regulated substance under governmental law, rule, statute or regulation in force at any time, including future times.

4. INSURANCE. LICENSEE shall at all times carry liability insurance in such amounts as are satisfactory to CITY, and issued by companies acceptable to the CITY, licensed in the State of Michigan, naming CITY as an additional insured on any such policy. LICENSEE will file yearly with the CITY certificates or policies evidencing such insurance coverage. The insurance policies or certificates shall provide that the CITY shall be given thirty days written notice before a cancellation or change in coverage may occur. The types of coverage and coverage limits as required by City Engineer shall be as follows:

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5. BONDING. Before this agreement permit becomes valid, LICENSEE shall file with the CITY a bond conforming to the requirements of all applicable ordinances, and to cover removal of said encroachment in part or whole, if essential for CITY to do so. This Bond shall keep same in force during the entire term of this agreement.

6. The privilege hereby granted may be canceled and revoked in part or whole by the CITY at any time upon giving said LICENSEE thirty (30) days of written notice of such cancellation and revocation, with no refund of the fee required in paragraph 2 of Permit Agreement.

7. LICENSEE may surrender up the privilege hereby granted at any time upon giving notice in writing to the CITY thirty (30) days prior to such surrender with no refund of the fee required in paragraph 2 of Permit Agreement; provided, however, that upon the voluntary relinquishment or abandonment of this privilege, or upon cancellation or revocation thereof by the CITY, the LICENSEE shall remove any structure(s) erected upon, within or overhanging the area of encroachment and restore the property at LICENSEE'S expense and in



a manner satisfactory to the CITY and in default thereof shall be liable to the CITY for any cost, damage or expense the CITY may sustain in such restoration.

8. That should said LICENSEE fail or refuse to conform to any of the conditions on its part to be performed hereunder, the privilege hereby granted shall immediately terminate and become null and void.

9. This agreement shall be binding upon the respective heirs, representatives, successors and assigns of the parties hereto.

Witnesses:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

CITY OF MUSKEGON

By \_\_\_\_\_

\_\_\_\_\_, Mayor

And \_\_\_\_\_

\_\_\_\_\_, Clerk

LICENSEE:

\_\_\_\_\_

\_\_\_\_\_

## SUPPLEMENTAL CONDITIONS

- 1- The grantee shall be fully responsible for the maintenance of the encroachment(s) and any relocation that becomes necessary to facilitate other improvements within the right of way (s).
- 2- Grantee will be responsible to maintain and keep, for the duration of this agreement, a valid insurance coverage satisfactory to the City.
- 3- If approved (by the City Commission), a permit to work in the right of way must be obtained from the Engineering Department before any work begins.
- 4- Insurance: LICENSEE shall at all times carry liability insurance in such amounts as are satisfactory to the City. The provision for liability insurance set forth shall remain in full force and effect in lieu of any other insurance requirement, provided that the City shall be given thirty (30) days written notice before a change in coverage may occur.
- 5- The City and/or its agent are not responsible for any damage to the facilities.

CITY OF MUSKEGON-- 2008 SUMMER TAX BILL

MESSAGE TO TAXPAYER

TAXES ARE PAYABLE AT THE MUSKEGON CITY HALL,  
8:30 AM - 5:00 PM, MON - FRI. OUR OFFICE PHONE NUMBER  
IS 231-724-6720. CHECKS MUST CLEAR OR RECEIPT  
IS VOID. MAKE CHECKS PAYABLE TO "CITY OF MUSKEGON".  
THIS TAX IS DUE BY SEPTEMBER 15, 2008. AFTER  
SEPTEMBER 15, A PENALTY AND INTEREST WILL BE ADDED.  
MARCH 2, 2009 & AFTER, THE REAL ESTATE PROPERTY TAX  
IS PAYABLE TO THE MUSKEGON COUNTY TREASURER WITH  
ADDITIONAL PENALTIES AND INTEREST.

PROPERTY INFORMATION

Property Assessed To:  
ROUWHORST INVESTMENTS LLC  
1788 TERRACE ST  
MUSKEGON, MI 49442

Property #: 61-24-205-306-0005-00 School Dist.: 61010  
Property Addr: 1788 TERRACE ST  
Legal Description:

CITY OF MUSKEGON REVISED PLAT OF 1903 CO  
M ON W LN OF ALLEY 16 FT S OF NE COR LOT  
ALG E LN OF S TERRACE ST NLY 46 FT TH NE  
LY TO POB BEING PART OF LOTS 5 & 6 & ALL  
WHICH IS 46 FT NWLY MEAS ALG ELY LN OF T  
ERRACE ST FROM SW COR LOT 7 SD BLK FOR  
FROM NE COR OF LOT 5 SD BLK TH SELY ALG  
WLY LN SD ALLEY 1.3 FT TO NLY WALL OF A  
AFORSD NELY LN TH CONT ALG SD SWLY LN T  
O ELY LN OF TERRACE ST TH NEWLY TO POB &

OPERATING FISCAL YEARS

The taxes on bill will be used for governmental  
operations for the following fiscal year(s):  
County: OCT 1 - SEPT 30  
State: OCT 1 - SEPT 30

Does NOT affect when the tax is due or its amount.

TAX DETAIL

Taxable Value: 77,748 Class: 201  
State Equalized Value: 79,800 Mort Code:

Taxes are based upon Taxable Value.  
1 mil equals \$1,000 per \$1,000 of Taxable Value.  
Amounts with no millage are either Special Assessments  
or other charges being added to this tax bill.

DESCRIPTION	MILLAGE	AMOUNT
COUNTY OPERATING	5.69840	443.03
STATE EDUC TAX	6.00000	466.48

Total Tax: \$909.51  
Administration Fee: \$9.09  
  
Total Amount Due: \$918.60  
  
Homestead %: 0

Please detach along perforation. Keep top portion.

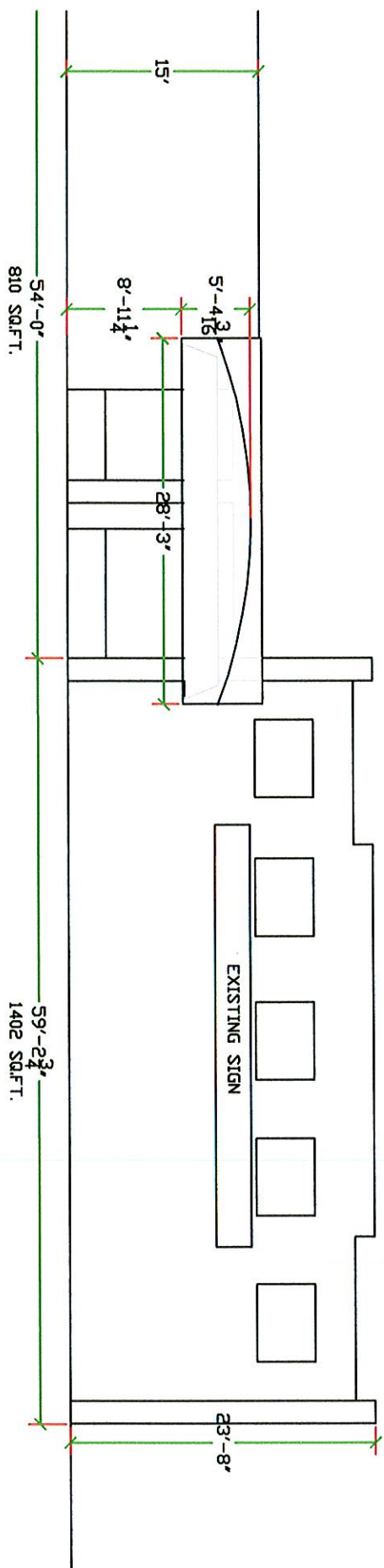
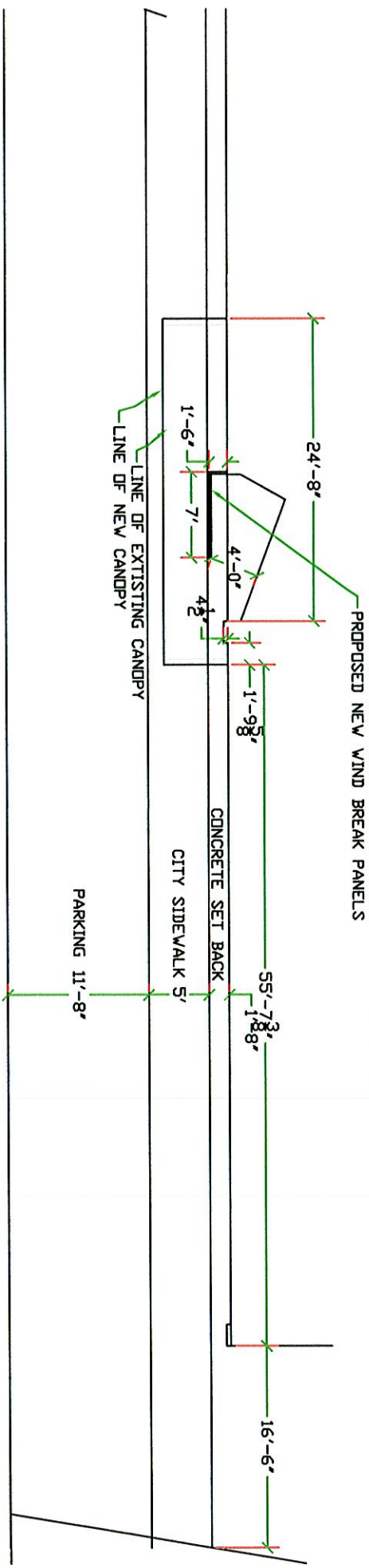
<b>ACORD CERTIFICATE OF LIABILITY INSURANCE</b>		OP ID RM RYKES-1	DATE (MM/DD/YYYY) 12/10/08
<b>PRODUCER</b>  Ottawa Kent Insurance, Inc. P.O.Box 349, 7472 Main Street Jenison MI 49429-0349 Phone: 616-457-1320 Fax: 616-457-4050		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
<b>INSURED</b>  Cuisine Arts LLC dba Rykes' 1788 Terrace St. Muskegon MI 49442		<b>INSURERS AFFORDING COVERAGE</b>	<b>NAIC #</b>
		INSURER A: Auto Owners Insurance	18988
		INSURER B:	
		INSURER C:	
		INSURER D:	
		INSURER E:	

#### COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.						
INSR	ADD'L LTR	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
A		GENERAL LIABILITY <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR	BIND000709	07/09/08	07/09/09	EACH OCCURRENCE \$ 1,000,000
						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 300,000
						MED EXP (Any one person) \$ 10,000
						PERSONAL & ADV INJURY \$ 1,000,000
		GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				GENERAL AGGREGATE \$ 2,000,000
						PRODUCTS - COMP/OP AGG \$ 2,000,000
A		AUTOMOBILE LIABILITY <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	BIND000709	07/09/08	07/09/09	COMBINED SINGLE LIMIT (Ea accident) \$ 500,000
						BODILY INJURY (Per person) \$
						BODILY INJURY (Per accident) \$
						PROPERTY DAMAGE (Per accident) \$
		GARAGE LIABILITY <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$
						OTHER THAN AUTO ONLY: EA ACC \$
						AGG \$
		EXCESS/UMBRELLA LIABILITY <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				EACH OCCURRENCE \$
						AGGREGATE \$
						\$
						\$
		DEDUCTIBLE RETENTION \$				\$
A		WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below OTHER	BIND000709	07/09/08	07/09/09	WC STATUTORY LIMITS \$
						E.L. EACH ACCIDENT \$ 100000
						E.L. DISEASE - EA EMPLOYEE \$ 100000
						E.L. DISEASE - POLICY LIMIT \$ 500000
DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS City of Muskegon is named as additional insured for general liability ONLY ATIMA ONLY.						

<b>CERTIFICATE HOLDER</b>  CITYMUS  City of Muskegon 933 Terrace St Muskegon MI 49443-0536	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.  AUTHORIZED REPRESENTATIVE Tim VanSkiver
--	--

NORTH  
 RYKE'S BAKERY  
 SITE PLAN



Date: January 27, 2009

To: Honorable Mayor and City Commissioners

From: Engineering

RE: Transportation Improvements Program Submittal for:  
2012-2013 Projects

---

#### SUMMARY OF REQUEST:

Authorize staff to submit the attached list of projects to the West Michigan Shoreline Regional Development Commission for inclusion in the FY 2012 – 2013 Transportation Improvement Program (TIP). Projects submitted will be considered for Federal and State transportation funding. Adoption of the attached resolution is required as part of the submittal to commit the local match should funds become available.

#### FINANCIAL IMPACT:

None at this time, however, a local match will be required should we receive a grant for a particular project.

#### BUDGET ACTION REQUIRED:

None

#### STAFF RECOMMENDATION:

To approve the project submittal and resolution.

#### COMMITTEE RECOMMENDATION:

Resolution No. \_\_\_\_\_

RESOLUTION FOR AUTHORIZATION TO REQUEST THE WEST MICHIGAN SHORELINE REGIONAL  
DEVELOPMENT COMMISSION TO INCLUDE THE CITY'S PROJECTS IN THE 2012-2013  
TRANSPORTATION IMPROVEMENT PROGRAM

WHEREAS, the Federal Transit Administration, the Federal Highway Administration and the Federal Aviation Administration, through the Intermodal Surface Transportation Efficiency Act of 1991; Act 51, P.A. 1951; and various other Federal and State acts, in cooperation with the Michigan Department of Transportation, makes funding available for local jurisdictions and agencies for transportation improvements projects; and

WHEREAS, the West Michigan Shoreline Regional Development Commission (WMSRDC) is the organization designated by the Governor as being responsible, together with the state, for carrying out provisions of 23 U.S.C. 134 (Federal Aid Planning Requirements) and the WMSRDC has deferred to the Muskegon Area Transportation Planning Program's (MATPP's) Policy Committee upon recommendation of the MATPP Technical Committee all matters of policy and approval related to transportation planning work programs, the long range transportation plan, and the Transportation Improvement Programs; and

WHEREAS, the WMSRDC is responsible, through the MATPP Advisory Committees (Technical and Policy), for implementing the federally required "3-C" urban transportation planning process, including the development of the transportation Improvement Program; and

WHEREAS, the 3-C planning process for Muskegon County has been certified according to the requirements of 25 CFR 450.114(c); and

WHEREAS, the City of Muskegon desires to secure financial assistance from the federal and/or State government to help defray the cost of the attached proposed transportation projects; and

WHEREAS, the required local match for the requested funding is available [or will be available] and committed to the proposed projects upon grant approval;

NOW, THEREFORE BE IT RESOLVED that the City of Muskegon requests the West Michigan Shoreline Regional Development Commission to consider inclusion of the projects in the priority list of Transportation Improvement Program for the Fiscal Years 2012-2013.

BY: \_\_\_\_\_  
Stephen J. Warmington, Mayor

Attest: \_\_\_\_\_  
Ann Marie Becker, Clerk

\_\_\_\_\_  
Date

# THE CITY'S WISH LIST FOR 2012 - 2013 TIP

Type of Fund	Roadway Name	length (ft)	From	Limits To	Year	Estimated Cost	STP Federal share @ 80%	Local Share	Type of Improvements
<b><u>2012 Projects</u></b>									
STP	Sherman Blvd.	4065	Linclon	Estes	2012	\$1,087,914.00	\$870,331.20	\$217,582.80	Reconstruction
STP	Port City Blvd./Latimer	3500	Black Creek	Laketon	2012	\$335,000.00	\$268,000.00	\$67,000.00	Milling & Resurfacing
Sub-total						<b><u>\$1,422,914.00</u></b>	<b><u>\$1,138,331.20</u></b>	<b>\$284,582.80</b>	
<b><u>2013 Projects</u></b>									
STP	Sherman	2640	Estes	Glenside	2013	\$496,000.00	\$396,800.00	\$99,200.00	Reconstruction
STP	Laketon Ave.	1750	Sanford	Hoyt	2013	\$450,000.00	\$360,000.00	\$90,000.00	Concrete pavement overlay
Sub-Total						<b>\$946,000.00</b>	<b>\$756,800.00</b>	<b>\$189,200.00</b>	



**DATE:** 08/19/2008  
**TO:** Honorable Mayor and Commissioners  
**FROM:** Mark Kincaid, Deputy Director of Public Safety  
**RE:** Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #: EN070238

---

**SUMMARY OF REQUEST:** This is to request that the City Commission Concur with the findings of the Housing Board of Appeals that the structure located at **254 AMITY AVE Area 11** is unsafe, substandard, a public nuisance and that it be demolished within thirty (30) days. It is further requested that administration be directed to obtain bids for the demolition of the structure and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder.

Case# & Project Address: # EN070238 254 Amity

Location and ownership: This structure is located on Amity between Fork and Jay Streets and is owned by Marilyn Brewster, 347 Shonat St., Apt #5, Muskegon, MI 49442.

Staff Correspondence: A dangerous building inspection was conducted on 11/08/07. An interior inspection was conducted 11/30/07. The Notice and Order to Repair was issued on 11/28/07. On 02/07/08, 03/06/08, and 04/03/08, the HBA tabled case to allow owner time to secure loan, establish timeline for repairs and obtain necessary permits. On 05/01/08 the HBA declared the structure substandard and dangerous. A building permit was issued 09/05/08 for removal of carport, replace siding and roof repair with a expiration date of 10/28/08. A final inspection has not been scheduled for these repairs.

Owner Contact: Ms. Brewster was present for all HBA meetings stating she was working with Neighborhood Investment Corp to get loan to complete repairs and there were delays in getting taxes paid and obtaining insurance.

**Financial Impact:** CDBG Funds

**Budget action required:** None

**State Equalized value:** 12,800

**Estimated cost to repair:** \$25,000

**Staff Recommendation:** To concur with the Housing Board of Appeals decision to demolish.

**CITY OF MUSKEGON**  
**DANGEROUS BUILDING PROGRESS INSPECTION REPORT**

*254 AMITY AVE*  
*12/03/2008*

**Inspection noted:**

Uncorrected

1. Cap Top section of roof at vertical.
2. Approved carport demolition.
3. Finish soffit 75% completed.
4. Snow on roof - Reschedule final inspection
5. Paint soffit and fascia.

BASED UPON MY RECENT INSPECTION OF THE ABOVE PROPERTY, I HAVE DETERMINED THAT THE STRUCTURE MEETS THE DEFINITION OF A DANGEROUS AND/OR SUBSTANDARD BUILDING AS SET FORTH IN SECTION 10-61 OF THE MUSKEGON CITY CODE.

---

HENRY FALTINOWSKI, BUILDING INSPECTOR

---

DATE

### **SUMMARY FOR: 254 AMITY AVE**

This building is a two story mixed use building with the second floor being set up for residential and the lower level a closed storefront that is largely used for storage. The apartment on the second floor is currently unoccupied. This building has been allowed to deteriorate to a point where it is a blighting influence on the neighborhood.

## **CITY OF MUSKEGON**

933 Terrace St., P.O. Box 537, Muskegon, MI 49443 (231) 724-6715

### **DANGEROUS BUILDING INSPECTION REPORT**

Thursday, November 8, 2007

**Enforcement #** EN070238      **Property Address** 254 AMITY AVE  
**Parcel #**24-205-205-0011-10      **Owner** BREWSTER MARILYN L

**Inspector:** Henry Faltinowski

**Date completed:** 11/08/2007

#### **DEFICENCIES:**

##### **Uncorrected**

1. Siding missing on building falling off building exterior.
2. Roof covering must be replaced rotted shingles, missing shingles; missing soffit and fascia.
3. Structural damage to rafter system provide rafter investigation. Large humps and sags in roofline.
4. Carport in state of collapse; remove or rebuild to code MRC 2003. Roof caving in, header - beam support failings - columns falling out of alignment.
5. Provide interior inspection.

**Request interior inspection by all trades, electrical, mechanical and plumbing. Please contact Inspection Services with any questions or to schedule an inspection at 933 Terrace St., Muskegon, MI 49440 (231) 724 6758.**

Based upon my recent inspection of the above property I determined that the structure meets the definition of a Dangerous Building and/or Substandard Building as set forth in Section 10-61 of the Muskegon City Code.

\_\_\_\_\_  
Henry Faltinowski, Building Inspector

\_\_\_\_\_  
Date

**CITY OF MUSKEGON**  
933 Terrace St., P.O. Box 536, Muskegon, MI 49443 (231)724-6715  
**DANGEROUS BUILDING INTERIOR INSPECTION REPORT**

***254 AMITY AVE***  
***11/30/2007***

**Inspection noted:**

Uncorrected

1. Repair all ceiling, wall, floor damage.
2. Interior garages storage area needs to be rebuilt to MRC 2003 Code - Cracked rafters; deteriorated roof covering, large sags in wall framing.
3. Repair upper stairway - treads loose, cracked missing sections.
4. Must remove large amount of storage to determine complete interior inspection upper and lower sections.
5. Smoke alarms required by code.
6. Building to be rewired to code.
7. Electric services to be replaced to code.
8. Smoke alarms to be installed in residential unit to code.
9. Inspect all plumbing for correct materials.
10. Kitchen sink upper.
11. Replace PVC water distribution pipe in basement.
12. Inspect & repair boiler & water heater & chimney.
13. Pressure test gas line; must have backflow device for boiler.
14. Seal vent for water heater.
15. Need T & P drain lines for water heaters.
16. Inspect & repair all plumbing when water is established as needed.
17. Inspect & certify space heater in store room.
18. Inspect & certify all coolers & store equipment.

BASED UPON MY RECENT INSPECTION OF THE ABOVE PROPERTY, I HAVE DETERMINED THAT THE STRUCTURE MEETS THE DEFINITION OF A DANGEROUS AND/OR SUBSTANDARD BUILDING AS SET FORTH IN SECTION 10-61 OF THE MUSKEGON CITY CODE.

---

HENRY FALTINOWSKI, BUILDING INSPECTOR

---

DATE







**Commission Meeting Date: January 27, 2009**

**Date:** January 16, 2009  
**To:** Honorable Mayor and City Commissioners  
**From:** Planning & Economic Development *CBL*  
**RE:** Request to revoke the Obsolete Property Rehabilitation  
Exemption Certificate at 790 Terrace

---

**SUMMARY OF REQUEST:**

Promised Land Associates, 3355 Merriem Dr., Muskegon Heights, was issued an Obsolete Property Rehabilitation Exemption Certificate (resolution number 2005-54 b, issued June 14, 2005) for the property located at 790 Terrace Street. The timeline to complete the rehabilitation was one year, giving them until June 14, 2006 to do so. However, a number of unforeseen problems occurred during this time, making the applicant unable to complete the rehabilitation. The applicant then requested a time extension in November 2007 and was granted additional time to complete the rehabilitation. The new deadline to finish the rehabilitation was August 22, 2008. The case was brought back to Commission in November 2008 and another extension was granted, giving the certificate holder until January 2009 to show the ability to complete the project. Total capital investment for this project was stated to be \$1,200,000 and was to include the addition of an elevator and an additional stairway, along with upgrades to the structural, mechanical, and electrical systems to meet current code requirements. To date, none of these projects have been completed.

**FINANCIAL IMPACT:**

None

**BUDGET ACTION REQUIRED:**

None

**STAFF RECOMMENDATION:**

To revoke the Obsolete Property Rehabilitation Certificate.

**COMMITTEE RECOMMENDATION:**

None

Resolution No. \_\_\_\_\_

**MUSKEGON CITY COMMISSION**

RESOLUTION REVOKING THE OBSOLETE PROPERTY REHABILITATION  
EXEMPTION CERTIFICATE NO 3-05-0024  
***PROMISED LAND ASSOCIATES***

WHEREAS, The City of Muskegon issued an Obsolete Property Rehabilitation Exemption Certificate to Promised Land Associates on May 31, 2005; and

WHEREAS, the resolution states that the applicant shall have twelve (12) months to complete the rehabilitation. It shall be completed by May 31, 2006, or one (1) year after the Certificate is issued, whichever occurs later; and

WHEREAS, an extension was granted on November 1, 2007, giving Promised Land Associates until August 22, 2008 to rehabilitate the building; and

WHEREAS, a second extension was granted on August 22, 2008, giving Promised Land Associates until December 1, 2008 to show that they have the financing to continue the project; and

WHEREAS, appropriate certified notice has been sent to Promised Land Associates on January 12, 2009, notifying the company of the intent to revoke the Obsolete Property Rehabilitation Certificate.

NOW THEREFORE BE IT RESOLVED by the Muskegon City Commission that Obsolete Property Rehabilitation Exemption Certificate 3-05-0024, for Promised Land Associates and the building at 790 Terrace St, is revoked.

Adopted this 27<sup>th</sup> day of January, 2009

Ayes:

Nays:

Absent

By: \_\_\_\_\_  
Stephen J. Warmington  
Mayor

Attest: \_\_\_\_\_  
Ann Marie Becker  
City Clerk



## CERTIFICATION

I hereby certify that the foregoing constitutes a true and complete copy of a resolution adopted by the City Commission of the City of Muskegon, County of Muskegon, Michigan at a regular meeting held on January 27, 2009.

By: \_\_\_\_\_  
Ann Marie Becker  
City Clerk

Date: January 27, 2008

To: Honorable Mayor and City Commissioners

From: Finance Director

RE: Proposed Water Bond Refunding

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**SUMMARY OF REQUEST:** The bond rating on the city's water system was recently upgraded by Standard & Poor's from A- to AA-. This, combined with the current interest rate environment, affords us the opportunity to refund two currently outstanding water system debt issues and achieve significant interest savings. It is proposed that \$5,815,000 of Series 1999 and \$925,000 of Series 1993 bonds be refunded at this time. A recent analysis shows that these bonds can be refunded at today's lower interest rates with present value savings to the City of \$390,930. This equates to 5.80% of the outstanding principal, or \$41,501 average annual savings over the remaining life of the bonds. A general rule of thumb is that PV savings should equal at least 2% of bond principal in order to proceed with a refunding.

**FINANCIAL IMPACT:** Estimated present value savings of \$390,930 and consolidation of two outstanding bond issues into a single issue.

**BUDGET ACTION REQUIRED:** None at this time. The annual debt service costs will be budgeted in future years until the bonds are retired.

**STAFF RECOMMENDATION:** Approval of the attached ordinance to initiate and authorize the proposed bond refunding. A second commission action (sales resolution) will be required to complete the transaction. If numbers change to the extent the refunding no longer makes economic sense, the plug can be pulled at that time.

**COMMITTEE RECOMMENDATION:** None.

Founded in 1852  
by Sidney Davy Miller

---

# MILLER CANFIELD

JOEL L. PIELL  
TEL (313) 496-7518  
FAX (313) 496-8450  
E-MAIL [piell@millercanfield.com](mailto:piell@millercanfield.com)

**Miller, Canfield, Paddock and Stone, P.L.C.**  
150 West Jefferson, Suite 2500  
Detroit, Michigan 48226  
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FAX (313) 496-7500  
[www.millercanfield.com](http://www.millercanfield.com)

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CANADA: Toronto • Windsor

CHINA: Shanghai

POLAND: Gdynia

Warsaw • Wroclaw

January 14, 2009

Mr. Timothy J. Paul  
Finance Director  
City of Muskegon  
933 Terrace Street  
P.O. Box 536  
Muskegon, MI 49443-0536

*Via Email*

Dear Tim:

Please find herewith attached a form of Ordinance which will serve to initiate and authorize the refunding bond process. The Ordinance will authorize the issuance of bonds to refund the remaining 1993 Bonds maturing in 2009 and the 1999 Refunding Bonds.

I have assumed that the City will not issue more than \$10,000,000 in tax-exempt bonds this year and have therefore designated the bonds as qualified tax-exempt obligations. If my assumption is incorrect, please advise.

I have also provided that the City Commission must adopt a sales resolution to approve the sale of the bonds. This will mean that the bonds must be priced around a meeting date of the City Commission.

I have worded the Ordinance so that it will be adopted at the January 27<sup>th</sup> meeting of the City Commission.

As you know, the Ordinance is adopted pursuant to the Revenue Bond Act and therefore is adopted at the meeting at which it is introduced notwithstanding City Charter requirements. The Ordinance should be published once in its entirety in the Muskegon Chronicle.

Please return to me three certified copies of the Ordinance along with affidavits of its publication.

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

Mr. Timothy J. Paul

-2-

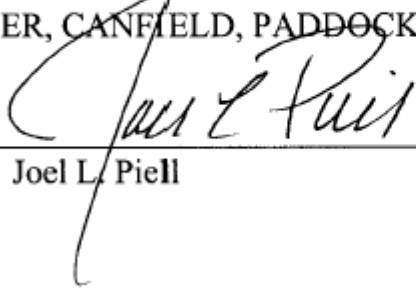
January 14, 2009

Should you have any questions concerning this, please let me know.

Very truly yours,

MILLER, CANFIELD, PADDOCK AND STONE, P.L.C.

By:

  
Joel L. Piell

cc: Mr. Warren M. Creamer, III (w/enclosure) *Via Email*

DISCLOSURE UNDER TREASURY CIRCULAR 230: The United States Federal tax advice contained in this document and its attachments, if any, may not be used or referred to in the promoting, marketing or recommending of any entity, investment plan or arrangement, nor is such advice intended or written to be used, and may not be used, by a taxpayer for the purpose of avoiding Federal tax penalties. Advice that complies with Treasury Circular 230's "covered opinion" requirements (and thus, may be relied on to avoid tax penalties) may be obtained by contacting the author of this document.

DELIB:3050489.1\099999-90001

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE AUTHORIZING AND PROVIDING FOR THE ISSUANCE AND SALE OF REVENUE BONDS FOR THE PURPOSE OF PAYING THE COST OF REFUNDING THE CITY'S WATER SUPPLY SYSTEM REVENUE BONDS, SERIES 1993, AND THE CITY'S WATER SUPPLY SYSTEM REVENUE REFUNDING BONDS, SERIES 1999; TO PROVIDE FOR THE COLLECTION OF REVENUES FROM THE SYSTEM SUFFICIENT FOR THE PURPOSE OF PAYING THE COSTS OF OPERATION AND MAINTENANCE OF THE SYSTEM AND TO PAY THE PRINCIPAL OF AND INTEREST ON THE BONDS AND CERTAIN OUTSTANDING BONDS OF THE SYSTEM; TO PROVIDE AN ADEQUATE RESERVE FUND FOR THE BONDS AND OUTSTANDING BONDS OF THE SYSTEM; TO PROVIDE FOR THE SEGREGATION AND DISTRIBUTION OF THE REVENUES; TO PROVIDE FOR THE RIGHTS OF THE HOLDERS OF THE BONDS AND OUTSTANDING BONDS OF THE SYSTEM IN ENFORCEMENT THEREOF; AND TO PROVIDE FOR OTHER MATTERS RELATING TO THE SYSTEM AND THE BONDS AND OUTSTANDING BONDS OF THE SYSTEM.

THE CITY OF MUSKEGON ORDAINS:

Section 1. Definitions. Whenever used in this Ordinance, except when otherwise indicated by the context, the following terms shall have the following meanings:

- (a) "Act 94" means Act 94, Public Acts of Michigan, 1933, as amended.
- (b) "Bonds" mean the Series 2009 Bonds, and any additional Bonds of equal standing hereafter issued.
- (c) "Commission" or "City Commission" means the City Commission of the City of Muskegon, County of Muskegon, State of Michigan.
- (d) "Issuer" or "City" means the City of Muskegon, County of Muskegon, State of Michigan.

(e) “Ordinance No. 1057” means Ordinance No. 1057 of the Issuer adopted September 14, 1993.

(f) “Ordinance No. 1181” means Ordinance 1181 of the Issuer adopted December 21, 1998.

(g) “Series 1993 Bonds” means the Water Supply System Revenue Bonds, Series 1993 authorized by Ordinance No.1057

(h) “Series 1999 Bonds” means the Water Supply System Revenue and Revenue Refunding Bonds, Series 1999 of the Issuer authorized by Ordinance No. 1181

(i) “Series 2009 Bonds” means the Water Supply System Revenue Refunding Bonds, Series 2009 of the Issuer authorized by this Ordinance.

(j) “Refunded Bonds” means all of the outstanding Series 1993 Bonds and all of the outstanding Series 1999 Bonds.

(k) “Sales Resolution” means the Sales Resolution to be adopted by the Issuer respecting the sale of the Series 2009 Bonds.

(k) “Revenues” and “Net Revenues” mean the revenues and net revenues of the System and shall be construed as defined in Section 3 of Act 94, including with respect to “Revenues”, the earnings derived from the investment of moneys in the various funds and accounts established by this Ordinance.

(l) “Sufficient Government Obligations” means direct obligations of the United States of America or obligations the principal and interest on which is fully guaranteed by the United States of America, not redeemable at the option of the issuer, the principal and interest payments upon which, without reinvestment of the interest, come due at such times and in such amounts as to be fully sufficient to pay the interest as it comes due on the Bonds and the principal and redemption premium, if any, on the Bonds as they come due whether on the stated maturity date or upon earlier redemption. Securities representing such obligations shall be placed in trust with a bank or trust company, and if any of the Bonds are to be called for redemption prior to maturity, irrevocable instructions to call the Bonds for redemption shall be given to the paying agent.

(m) “System” means the entire Water Supply System of the City, both inside and outside the City including all plants, works, instrumentalities and properties, used or useful in connection with the collection and treatment of potable water, as the same now exists, and all enlargements, extensions, repairs and improvements thereto hereafter made.

(n) “Transfer Agent” means a financial institution qualified to act in such capacity or any successor thereto as designated by the City.

Section 2. Necessity; Public Purpose. It is hereby determined to be necessary for the public welfare of the City to refund the Refunded Bonds.

Section 3. Bonds Authorized. To pay the cost of refunding the Refunded Bonds and the costs of issuance of the Series 2009 Bonds, it is hereby determined that there be borrowed upon the credit of the Revenues of the System, the additional sum of not to exceed Seven Million Five Hundred Thousand Dollars (\$7,500,000), and the Bonds be issued therefor, under the provisions of Act 94.

Except as changed by the provisions of this Ordinance, all the provisions of Ordinance No. 1057 shall apply to the Bonds, the same as though each of said provisions were repeated in this Ordinance, the purpose of this Ordinance being to authorize the issuance of additional Bonds to finance the cost of refunding the Refunded Bonds and to pay the costs of issuance of the Series 2009 Bonds.

Section 4. Detail of Bonds. The Bonds shall be designated WATER SUPPLY SYSTEM REVENUE REFUNDING BONDS, SERIES 2009, and shall be, not general obligations of the City, but revenue Bonds, payable solely out of the Net Revenues of the System, and shall consist of fully registered bonds of the denomination of \$5,000 or multiples thereof not exceeding for each maturity the aggregate principal amount of that maturity, dated as of the date of their delivery, numbered in direct order of maturity from 1 upwards, and payable serially on May 1st of each year beginning May 1, 2010 through May 1, 2019 in such amounts as shall be set forth in the Sales Resolution. The Bonds shall bear interest at a rate or rates to be determined on the sale thereof, but in any event not exceeding the lesser of 7% per annum, or the maximum rate permitted by law, payable on May 1 and November 1 of each year, commencing November 1, 2009, by check or draft mailed by the transfer agent selected by the City to the person or entity



which is, as of the 15th day of the month preceding the interest payment date, the registered owner at the registered address as shown on the registration books of the Issuer maintained by the transfer agent. The date of determination of registered owner for purposes of payment of interest as provided in this paragraph may be changed by the Issuer to conform to market practice in the future.

The bonds may be issued in book-entry-only form through The Depository Trust Company in New York, New York.

The details of the Series 2009 Bonds including the serial and term maturities thereof, redemption provisions, discount of par value and the amount of the offering shall be as set forth in the Sales Resolution and the Bond Purchase Agreement to be entered into with the Underwriter (as those terms are hereinafter defined).

In case less than the full amount of an outstanding Bond is called for redemption, the transfer agent upon presentation of the Bond called in part for redemption shall register, authenticate and deliver to the registered owner a new bond in the principal amount of the portion of the original bond not called for redemption.

The Bonds shall be executed in the name of the City with the facsimile signatures of the Mayor and the City Clerk and shall have the City's seal printed on them. No Bond shall be valid until authenticated by an authorized signor of the transfer agent. The Bonds shall be delivered to the transfer agent for authentication and be delivered by the transfer agent to the purchaser in accordance with instructions from the Treasurer of the City upon payment of the purchase price for the Bonds in accordance with the bid therefor when accepted. Executed blank bonds for registration and issuance to transferees shall simultaneously, and from time to time thereafter as necessary, be delivered to the transfer agent for safekeeping.

Section 5. Registration and Transfer. Any Bond may be transferred upon the books required to be kept pursuant to this section by the person in whose name it is registered, in person or by the registered owner's duly authorized attorney, upon surrender of the Bond for cancellation, accompanied by delivery of a duly executed written instrument of transfer in a form approved by the transfer agent. Whenever any Bond or Bonds shall be surrendered for transfer, the Issuer shall execute and the transfer agent shall authenticate and deliver a new Bond or Bonds, for like aggregate principal amount. The Transfer Agent shall require payment by the bondholder requesting the transfer of any tax or other governmental charge required to be paid with respect to the transfer. The Transfer Agent shall not be required (i) to issue, register the transfer of or exchange any Bond during a period beginning at the opening of business 15 days before the day of the giving of a notice of redemption of Bonds selected for redemption as described in the form of Bonds contained in Section 14 of this Ordinance and ending at the close of business on the day of that giving of notice, or (ii) to register the transfer of or exchange any Bond so selected for redemption in whole or in part, except the unredeemed portion of Bonds being redeemed in part. The Issuer shall give the Transfer Agent notice of call for redemption at least 20 days prior to the date notice of redemption is to be given.

The Transfer Agent shall keep or cause to be kept, at its principal office, sufficient books for the registration and transfer of the Bonds, which shall at all times be open to inspection by the Issuer; and, upon presentation for such purpose, the Transfer Agent shall, under such reasonable regulations as it may prescribe, transfer or cause to be transferred, on said books, Bonds as hereinbefore provided.

If any Bond shall become mutilated, the Issuer, at the expense of the holder of the Bond, shall execute, and the Transfer Agent shall authenticate and deliver, a new Bond of like tenor in exchange and substitution for the mutilated Bond, upon surrender to the Transfer Agent of the mutilated Bond. If any Bond issued under this Ordinance shall be lost, destroyed or stolen, evidence of the loss, destruction or theft may be submitted to the Transfer Agent and, if this evidence is satisfactory to both and indemnity satisfactory to the Transfer Agent shall be given,

and if all requirements of any applicable law including Act 354, Public Acts of Michigan, 1972, as amended ("Act 354"), being sections 129.131 to 129.135, inclusive, of the Michigan Compiled Laws have been met, the Issuer, at the expense of the owner, shall execute, and the Transfer Agent shall thereupon authenticate and deliver, a new Bond of like tenor and bearing the statement required by Act 354, or any applicable law hereafter enacted, in lieu of and in substitution for the Bond so lost, destroyed or stolen. If any such Bond shall have matured or shall be about to mature, instead of issuing a substitute Bond the Transfer Agent may pay the same without surrender thereof.

Section 6. Payment of Bonds. The Bonds and the interest thereon shall be payable solely from the Net Revenues, and to secure such payment, there is hereby created a statutory lien upon the whole of the Net Revenues which shall be a first lien to continue until payment in full of the principal of and interest on all Bonds payable from the Net Revenues, or, until sufficient cash or Sufficient Government Obligations have been deposited in trust for payment in full of all Bonds of a series then outstanding, principal and interest on such Bonds to maturity, or, if called for redemption, to the date fixed for redemption together with the amount of the redemption premium, if any. The first lien referred to herein shall be equally shared and be a first priority with the City's Outstanding Bonds. Upon deposit of cash or Sufficient Government Obligations, as provided in the previous sentence, the statutory lien shall be terminated with respect to that series of Bonds, the holders of that series shall have no further rights under this Ordinance except for payment from the deposited funds, and the Bonds of that series shall no longer be considered to be outstanding under this Ordinance.

Section 7. Bondholders' Rights; Receiver. The holder or holders of the Bonds representing in the aggregate not less than twenty percent (20%) of the entire principal amount thereof then outstanding, may, by suit, action, mandamus or other proceedings, protect and enforce the statutory lien upon the Net Revenues of the System, and may, by suit, action, mandamus or other proceedings, enforce and compel performance of all duties of the officers of the Issuer, including the fixing of sufficient rates, the collection of Revenues, the proper

segregation of the Revenues of the System and the proper application thereof. The statutory lien upon the Net Revenues, however, shall not be construed as to compel the sale of the System or any part thereof.

If there is a default in the payment of the principal of or interest on the Bonds, any court having jurisdiction in any proper action may appoint a receiver to administer and operate the System on behalf of the Issuer and under the direction of the court, and by and with the approval of the court to perform all of the duties of the officers of the Issuer more particularly set forth herein and in Act 94.

The holder or holders of the Bonds shall have all other rights and remedies given by Act 94 and law, for the payment and enforcement of the Bonds and the security therefor.

Section 8. Management; Fiscal Year. The operation, repair and management of the System and the acquiring of the Project shall be under the supervision and control of the City Commission and the Fiscal Year for the System shall continue to be the same fiscal year as the City. The City may employ such person or persons in such capacity or capacities as it deems advisable to carry on the efficient management and operation of the System. The City may make such rules and regulations as it deems advisable and necessary to assure the efficient management and operation of the System.

Section 9. Bond Reserve Fund. The Reserve Account in the Bond and Interest Redemption Fund, as established and supplemented by Ordinance No. 1057 shall be maintained in such amounts, so that said Bond Reserve Account shall be in such amount as is equal to the Reserve Amount as set forth in Section 13B of Ordinance No. 1057.

Section 10. Bond Proceeds. The proceeds of the Refunding Bonds and, if deemed necessary or advisable by the Issuer, moneys on hand in the outstanding Bond Reserve Account, shall be deposited in an escrow fund or funds (the "Escrow Fund") consisting of cash and/or

investments in direct obligations of or obligations of the principal of and interest on which are unconditionally guaranteed by the United States of America or other obligations the principal of and interest on which are fully secured by the foregoing not redeemable at the option of the Issuer in amounts fully sufficient to pay the principal, interest and redemption premiums on all of the Refunded Bonds, which are to be refunded hereunder and shall be used only for such purposes. If deemed necessary or advisable by the Issuer, the Escrow Fund may consist of separate funds as provided in the Escrow Agreement. The Escrow Fund shall be held by the Escrow Agent (the “Escrow Agent”) pursuant to an escrow agreement (the “Escrow Agreement”) which shall irrevocably direct the Escrow Agent to take all necessary steps to pay the principal of and interest on the Refunded Bonds when due and to call the Refunded Bonds for redemption on the first call date, as specified by the Issuer. The amounts held in the Escrow Fund shall be such that the cash and investments and income received thereon will be sufficient without reinvestment to pay the principal, interest and redemption premiums on the Refunded Bonds when due at maturity or by call for redemption as required by the Sales Resolution. The remaining proceeds of the Bonds shall be used to pay the costs of issuance of the Bonds. Any proceeds in excess of the proceeds deposited in the Escrow Fund or required to pay costs of issuance shall be deposited in the Redemption Fund and used to pay interest on the Bonds on November 1, 2009.

The City Finance Director is authorized to negotiate an Escrow Agreement on behalf of the Issuer.

Section 11. Bond Form. The Bonds shall be in substantially the following form:

UNITED STATES OF AMERICA

STATE OF MICHIGAN

COUNTY OF MUSKEGON

CITY OF MUSKEGON

WATER SUPPLY SYSTEM

REVENUE REFUNDING BOND, SERIES 2009

Interest	Maturity	Date of Original	
<u>Rate</u>	<u>Date</u>	<u>Issue</u>	<u>CUSIP</u>
	_____ 1, ____	_____	

REGISTERED OWNER:

PRINCIPAL AMOUNT:

DOLLARS

The City of Muskegon, County of Muskegon, State of Michigan (the "Issuer"), for value received, hereby promises to pay, but only out of the hereinafter described Net Revenues of the Issuer's Water Supply System (hereinafter defined) the Principal Amount shown above in lawful money of the United States of America to the Registered Owner shown above, or registered assigns, on the Maturity Date shown above, unless prepaid prior thereto as hereinafter provided, with interest thereon from the Date of Original Issue shown above or such later date to which interest has been paid, until paid, at the Interest Rate per annum shown above, payable on November 1, 2009, and semiannually thereafter. Principal of this bond is payable upon surrender of this bond at the principal corporate trust office of \_\_\_\_\_, \_\_\_\_\_, Michigan or such other Transfer Agent as the Issuer may hereafter designate by notice mailed to the registered owner not less than 60 days prior to the date of any change in Transfer Agent. Interest on this bond is payable by check or draft mailed by the Transfer Agent to the person or entity who is, as of the 15th day of the month preceding the interest payment date, the registered owner of record, at the registered address as shown on the registration books of the Issuer kept by the Transfer Agent. For prompt payment of principal and interest on this bond, the Issuer has irrevocably pledged the revenues of the Water Supply System of the Issuer (the "System"), including all appurtenances, extensions and improvements thereto, after provision has been made for reasonable and necessary expenses of operation, maintenance and administration (the "Net Revenues"), and a statutory first lien thereon is hereby recognized and created.

This bond is one of a series of bonds of even date of original issue aggregating the principal sum of \$\_\_\_\_\_, issued pursuant to Ordinance Nos. 1057 and Ordinance No.\_\_\_\_\_ of the Issuer, duly adopted by the City Commission of the Issuer, and under and in full compliance with the Constitution and statutes of the State of Michigan, including

specifically Act 94, Public Acts of Michigan, 1933, as amended, for the purposes of paying the cost of refunding the Issuer's Water Supply System Revenue Bonds, Series 1993 and its Water Supply System Revenue and Revenue Refunding Bonds, Series 1999.

For a complete statement of the revenues from which and the conditions under which this bond is payable, a statement of the conditions under which additional bonds of equal standing as to the Net Revenues may hereafter be issued and the general covenants and provisions pursuant to which this bond is issued, reference is made to the above-described Ordinances.

Bonds of this issue maturing in the years \_\_\_\_\_ to \_\_\_\_\_, inclusive, are not subject to redemption prior to maturity. Bonds or portions of bonds in multiples of \$5,000 maturing in the year 2009 and thereafter may be redeemed at the option of the Issuer, in such order as the Issuer shall determine and within any maturity by lot, on any interest payment date on or after May 1, 20\_\_\_\_ at par and accrued interest to the date fixed for redemption.

In case less than the full amount of an outstanding bond is called for redemption the transfer agent upon presentation of the bond called in part for redemption shall register, authenticate and deliver to the registered owner a new bond in the principal amount of the portion of the original bond not called for redemption.

Notice of redemption of any bond or portion thereof shall be given by the Transfer Agent at least thirty (30) days prior to the date fixed for redemption by mail to the registered owner at the registered address shown on the registration books kept by the Transfer Agent. Bonds shall be called for redemption in multiples of \$5,000 and any bond of a denomination of more than \$5,000 shall be treated as representing the number of bonds obtained by dividing the denomination of the bond by \$5,000 and such bond may be redeemed in part. Notice of redemption for a bond redeemed in part shall state that upon surrender of the bond to be redeemed a new bond or bonds in aggregate principal amount equal to the unredeemed portion of the bonds surrendered shall be issued to the registered owner thereof. No further interest on a bond or portion thereof called for redemption shall accrue after the date fixed for redemption, whether presented for redemption or not, provided funds are on hand with the Transfer Agent to redeem the bond or portion thereof.

This bond is a self-liquidating bond and is not a general obligation of the Issuer and does not constitute an indebtedness of the Issuer within any constitutional or statutory limitation, but is payable, both as to principal and interest, solely and only from the Net Revenues of the System. The principal of and interest on this bond are secured by the statutory lien hereinbefore mentioned.

The Issuer has covenanted and agreed, and does hereby covenant and agree, to fix and maintain at all times while any bonds payable from the Net Revenues of the System shall be outstanding, such rates for service furnished by the System as shall be sufficient to provide for payment of the interest on and the principal of the bonds of this issue and any additional bonds of equal standing as and when the same shall become due and payable, and to create and

maintain a bond redemption fund (including a bond reserve account) therefor, to provide for the payment of expenses of administration and operation and such expenses for maintenance of the System as are necessary to preserve the same in good repair and working order, and to provide for such other expenditures and funds for the System as are required by the Ordinances.

This bond is transferable only upon the books of the Issuer kept for that purpose at the office of the Transfer Agent by the registered owner hereof in person, or by the registered owner's attorney duly authorized in writing, upon the surrender of this bond together with a written instrument of transfer satisfactory to the Transfer Agent duly executed by the registered owner or the registered owner's attorney duly authorized in writing, and thereupon a new registered bond or bonds in the same aggregate principal amount and of the same maturity shall be issued to the transferee in exchange therefor as provided in the Ordinances authorizing the bonds, and upon the payment of the charges, if any, therein prescribed.

It is hereby certified and recited that all acts, conditions and things required by law precedent to and in the issuance of this bond and the series of bonds of which this is one have been done and performed in regular and due time and form as required by law.

This bond is not valid or obligatory for any purpose until the Transfer Agent's Certificate of Authentication on this bond has been executed by the Transfer Agent.



IN WITNESS WHEREOF, the City of Muskegon, County of Muskegon, State of Michigan, by its City Commission, has caused this bond to be executed with the facsimile signatures of its Mayor and its City Clerk and a facsimile of its corporate seal to be printed on this bond, all as of the Date of Original Issue.

CITY OF MUSKEGON

By \_\_\_\_\_  
Mayor

(Seal)

Countersigned:

\_\_\_\_\_  
City Clerk

Certificate of Authentication

This bond is one of the bonds described in the within-mentioned Ordinances.

By \_\_\_\_\_

Authorized Signatory

Date of Registration:

Section 12. Tax Matters. The Issuer shall, to the extent permitted by law, take all actions within its control necessary to maintain the exclusion of the interest on the Bonds from gross income for federal income tax purposes under the Internal Revenue Code of 1986, as amended (the “Code”), including, but not limited to, actions relating to any required rebate of arbitrage earnings and the expenditures and investment of Bond proceeds and moneys deemed to be Bond proceeds and to prevent the Bonds from becoming “private activity bonds” as that term is used in Section 141 of the Code. The City hereby designates the Bonds as qualified tax exempt obligations for purposes of deduction of interest expense by financial institutions pursuant to the Code.

Section 13. Sale of Bonds. In order to achieve efficiencies of sale and market timing in a volatile bond market it is determined that the City’s best interest will be served by negotiating the sale of the Series 2009 Bonds. Robert W. Baird & Co. has proposed to purchase and underwrite the issuance of the Bonds and is hereby designated as underwriter for the offering of the Bonds (the “Underwriter”). The City Manager and Finance Director are each hereby authorized to negotiate and subject to the approval of the Commission, execute a bond purchase agreement (the “Bond Purchase Agreement”) with the Underwriter as purchaser or representative of the purchasers approved by the Commission finalizing the details of the Series 2009 Bonds within the authorized parameters of this Ordinance, including the establishment of prices, maturities, interest rates, redemption premiums, sinking funds for the Series 2009 Bonds, and any changes to the amount and manner of funding of the Bond Reserve Account. The Finance Director may negotiate, approve and execute an escrow agreement with the Escrow Agent, including the appointment of the Escrow Agent and establishment of the amounts of escrows therein provided, and approve the circulation of a preliminary and after approval by the Commission a final official statement describing the Refunding Bonds, and do all other acts and take all other necessary procedures required to effectuate the sale, issuance and delivery of the Refunding Bonds. The Refunding Bonds shall be issued in the final principal amount determined upon sale and shall mature and be subject to redemption at the times, in the manner

and at the prices determined upon sale of the Refunding Bonds pursuant to the Sales Resolution and Bond Purchase Agreement.

Section 14. The City covenants it shall comply with the requirements of Rule 15c2-12 of the Securities and Exchange Commission regarding continuing disclosure and hereby designates the City Finance Director as its Disclosure Representative.

Section 15. Defeasance. In the event cash or direct obligations of the United States or obligations the principal of and interest on which are guaranteed by the United States, or a combination thereof, the principal of and interest on which, without reinvestment, come due at times and in amounts sufficient to pay at maturity or irrevocable call for earlier optional redemption, the principal of, premium, if any, and interest on the bonds, shall be deposited in trust, this Ordinance shall be defeased and the owners of the bonds shall have no further rights under this Ordinance except to receive payment of the principal of, premium, if any, and interest on the bonds from the cash or securities deposited in trust and the interest and gains thereon and to transfer and exchange bonds as provided herein.

Section 16. Severability; Paragraph Headings; and Conflict. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance. The paragraph headings in this Ordinance are furnished for convenience of reference only and shall not be considered to be part of this Ordinance.

Section 17. Publication and Recordation. This Ordinance shall be published in full in The Muskegon Chronicle, a newspaper of general circulation in the City, qualified under State law to publish legal notices, promptly after its adoption, and shall be recorded in the Ordinance Book of the Issuer and such recording authenticated by the signatures of the Mayor and City Clerk.

Section 18. Effective Date. Pursuant to the provisions of Section 6 of Act 94, this Ordinance shall be approved on the date of first reading and accordingly this Ordinance shall immediately be effective upon its adoption.

Adopted and signed this 27th day of January, 2009.

Signed: \_\_\_\_\_  
Mayor

Signed: \_\_\_\_\_  
City Clerk

I hereby certify that the foregoing constitutes a true and complete copy of an Ordinance duly adopted by the City Commission of the City of Muskegon, County of Muskegon, Michigan, at a Regular Meeting held on the 27th day of January, 2009, and that said meeting was conducted and public notice of said meeting was given pursuant to and in full compliance with the Open Meetings Act, being Act 267, Public Acts of Michigan, 1976, and that the minutes of said meeting were kept and will be or have been made available as required by said Act.

I further certify that the following Members were present at said meeting:

\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ and that the following Members were absent: \_\_\_\_\_  
\_\_\_\_\_.

I further certify that Member \_\_\_\_\_ moved adoption of said Ordinance, and that said motion was supported by Member \_\_\_\_\_.

I further certify that the following Members voted for adoption of said Ordinance:

\_\_\_\_\_  
\_\_\_\_\_ and that the following Members voted against adoption of said

Ordinance: \_\_\_\_\_  
\_\_\_\_\_.

I further certify that said Ordinance has been recorded in the Ordinance Book and that such recording has been authenticated by the signatures of the Mayor and City Clerk.

\_\_\_\_\_

\_\_\_\_\_

City Clerk

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**City of Muskegon**  
*2009 Water Revenue Refunding Bonds*  
*Refunding of 1993 and 1999 Bonds*  
*Dated: March 1, 2009*

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**Table of Contents**

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**Report**

**ISSUE SUMMARY**

Current Refunding Escrow.....	1
Total Issue Sources And Uses.....	2
Debt Service Schedule.....	3
Debt Service Comparison.....	5
Pricing Summary.....	7

**REFUND 99**

Debt Service To Maturity And To Call.....	8
Current Refunding Escrow.....	9
Debt Service Schedule.....	10
Debt Service Comparison.....	12
Current Outstanding Debt Service.....	14

**REFUND 93**

Debt Service To Maturity And To Call.....	15
Current Refunding Escrow.....	16
Debt Service Schedule.....	17
Debt Service Comparison.....	18

**City of Muskegon**  
*2009 Water Revenue Refunding Bonds*  
*Refunding of 1993 and 1999 Bonds*  
*Dated: March 1, 2009*

**Current Refunding Escrow**

Date	Principal	Rate	Interest	+Transfers	Receipts	Disbursements	Cash Balance
03/01/2009	-	-	-	-	0.92	-	0.92
05/01/2009	6,614,395.00	0.030%	331.61	99,469.97	6,714,196.58	6,714,197.50	-
Total	\$6,614,395.00	-	\$331.61	\$99,469.97	\$6,714,197.50	\$6,714,197.50	-

**Investment Parameters**

Investment Model [PV, GIC, or Securities].....	Securities
Default investment yield target.....	User Defined
Cost of Investments Purchased with Fund Transfers.....	99,465.00
Cash Deposit.....	0.92
Cost of Investments Purchased with Bond Proceeds.....	6,614,395.00
Total Cost of Investments.....	\$6,713,860.92
Target Cost of Investments at bond yield.....	\$6,581,847.15
Actual positive or (negative) arbitrage.....	(32,548.77)
Yield to Receipt.....	0.0300823%
Yield for Arbitrage Purposes.....	3.0123684%
State and Local Government Series (SLGS) rates for.....	1/09/2009



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**City of Muskegon**  
*2009 Water Revenue Refunding Bonds*  
*Refunding of 1993 and 1999 Bonds*  
*Dated: March 1, 2009*

**Total Issue Sources And Uses**

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Dated 03/01/2009 | Delivered 03/01/2009

	Refund 99	Refund 93	Issue Summary
<b>Sources Of Funds</b>			
Par Amount of Bonds.....	\$5,815,000.00	\$925,000.00	\$6,740,000.00
Transfers from Prior Issue Debt Service Funds.....	85,965.00	13,500.00	99,465.00
<b>Total Sources.....</b>	<b>\$5,900,965.00</b>	<b>\$938,500.00</b>	<b>\$6,839,465.00</b>
<b>Uses Of Funds</b>			
Deposit to Current Refunding Fund.....	5,793,657.04	920,203.88	6,713,860.92
Total Underwriter's Discount (1.000%).....	58,150.00	9,250.00	67,400.00
Bond Counsel.....	25,882.79	4,117.21	30,000.00
Rating Agency Fee.....	7,333.46	1,166.54	8,500.00
Treasury, Publications and Miscellaneous.....	4,313.80	686.20	5,000.00
Rounding Amount.....	3,216.00	1,738.08	4,954.08
POS/Official Statement.....	3,882.42	617.58	4,500.00
Verification Agent.....	2,156.90	343.10	2,500.00
Auditor's Consent.....	1,294.14	205.86	1,500.00
Escrow Agent.....	647.07	102.93	750.00
Paying Agent.....	431.38	68.62	500.00
<b>Total Uses.....</b>	<b>\$5,900,965.00</b>	<b>\$938,500.00</b>	<b>\$6,839,465.00</b>

011209 Refund 09 (93 + 99) | Issue Summary | 1/12/2009 | 12:11 PM

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**Robert W. Baird**  
Public Finance

**Page 2**

**City of Muskegon**  
*2009 Water Revenue Refunding Bonds*  
*Refunding of 1993 and 1999 Bonds*  
*Dated: March 1, 2009*

**Debt Service Schedule**

**Part 1 of 2**

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
03/01/2009	-	-	-	-	-
11/01/2009	-	-	123,866.66	123,866.66	-
12/31/2009	-	-	-	-	123,866.66
05/01/2010	600,000.00	1.850%	92,900.00	692,900.00	-
11/01/2010	-	-	87,350.00	87,350.00	-
12/31/2010	-	-	-	-	780,250.00
05/01/2011	605,000.00	2.100%	87,350.00	692,350.00	-
11/01/2011	-	-	80,997.50	80,997.50	-
12/31/2011	-	-	-	-	773,347.50
05/01/2012	620,000.00	2.250%	80,997.50	700,997.50	-
11/01/2012	-	-	74,022.50	74,022.50	-
12/31/2012	-	-	-	-	775,020.00
05/01/2013	640,000.00	2.350%	74,022.50	714,022.50	-
11/01/2013	-	-	66,502.50	66,502.50	-
12/31/2013	-	-	-	-	780,525.00
05/01/2014	660,000.00	2.550%	66,502.50	726,502.50	-
11/01/2014	-	-	58,087.50	58,087.50	-
12/31/2014	-	-	-	-	784,590.00
05/01/2015	680,000.00	2.750%	58,087.50	738,087.50	-
11/01/2015	-	-	48,737.50	48,737.50	-
12/31/2015	-	-	-	-	786,825.00
05/01/2016	700,000.00	3.000%	48,737.50	748,737.50	-
11/01/2016	-	-	38,237.50	38,237.50	-
12/31/2016	-	-	-	-	786,975.00
05/01/2017	720,000.00	3.200%	38,237.50	758,237.50	-
11/01/2017	-	-	26,717.50	26,717.50	-
12/31/2017	-	-	-	-	784,955.00
05/01/2018	745,000.00	3.400%	26,717.50	771,717.50	-
11/01/2018	-	-	14,052.50	14,052.50	-
12/31/2018	-	-	-	-	785,770.00
05/01/2019	770,000.00	3.650%	14,052.50	784,052.50	-
12/31/2019	-	-	-	-	784,052.50
<b>Total</b>	<b>\$6,740,000.00</b>	<b>-</b>	<b>\$1,206,176.66</b>	<b>\$7,946,176.66</b>	<b>-</b>

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**City of Muskegon**  
*2009 Water Revenue Refunding Bonds*  
*Refunding of 1993 and 1999 Bonds*  
*Dated: March 1, 2009*

**Debt Service Schedule**

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**Part 2 of 2**

**Yield Statistics**

Bond Year Dollars.....	\$39,798.33
Average Life.....	5.905 Years
Average Coupon.....	3.0307215%
Net Interest Cost (NIC).....	3.2000754%
True Interest Cost (TIC).....	3.2023346%
Bond Yield for Arbitrage Purposes.....	3.0123684%
All Inclusive Cost (AIC).....	3.3543075%

**IRS Form 8038**

Net Interest Cost.....	3.0307215%
Weighted Average Maturity.....	5.905 Years

**City of Muskegon**  
*2009 Water Revenue Refunding Bonds*  
*Refunding of 1993 and 1999 Bonds*  
*Dated: March 1, 2009*

**Debt Service Comparison**

**Part 1 of 2**

Date	Total P+I	Non-Refunded	Total	Old Net D/S	Savings	Fiscal Total
03/01/2009	-	-	(4,954.08)	(99,465.00)	(94,510.92)	-
05/01/2009	-	520,455.00	520,455.00	669,652.50	149,197.50	-
11/01/2009	123,866.66	-	123,866.66	149,197.50	25,330.84	-
12/31/2009	-	-	-	-	-	80,017.42
05/01/2010	692,900.00	-	692,900.00	684,197.50	(8,702.50)	-
11/01/2010	87,350.00	-	87,350.00	137,962.50	50,612.50	-
12/31/2010	-	-	-	-	-	41,910.00
05/01/2011	692,350.00	-	692,350.00	692,962.50	612.50	-
11/01/2011	80,997.50	-	80,997.50	126,030.00	45,032.50	-
12/31/2011	-	-	-	-	-	45,645.00
05/01/2012	700,997.50	-	700,997.50	706,030.00	5,032.50	-
11/01/2012	74,022.50	-	74,022.50	113,077.50	39,055.00	-
12/31/2012	-	-	-	-	-	44,087.50
05/01/2013	714,022.50	-	714,022.50	718,077.50	4,055.00	-
11/01/2013	66,502.50	-	66,502.50	99,542.50	33,040.00	-
12/31/2013	-	-	-	-	-	37,095.00
05/01/2014	726,502.50	-	726,502.50	734,542.50	8,040.00	-
11/01/2014	58,087.50	-	58,087.50	85,255.00	27,167.50	-
12/31/2014	-	-	-	-	-	35,207.50
05/01/2015	738,087.50	-	738,087.50	750,255.00	12,167.50	-
11/01/2015	48,737.50	-	48,737.50	70,126.25	21,388.75	-
12/31/2015	-	-	-	-	-	33,556.25
05/01/2016	748,737.50	-	748,737.50	765,126.25	16,388.75	-
11/01/2016	38,237.50	-	38,237.50	54,141.25	15,903.75	-
12/31/2016	-	-	-	-	-	32,292.50
05/01/2017	758,237.50	-	758,237.50	784,141.25	25,903.75	-
11/01/2017	26,717.50	-	26,717.50	37,168.75	10,451.25	-
12/31/2017	-	-	-	-	-	36,355.00
05/01/2018	771,717.50	-	771,717.50	802,168.75	30,451.25	-
11/01/2018	14,052.50	-	14,052.50	19,000.00	4,947.50	-
12/31/2018	-	-	-	-	-	35,398.75
05/01/2019	784,052.50	-	784,052.50	819,000.00	34,947.50	-
12/31/2019	-	-	-	-	-	34,947.50
Total	\$7,946,176.66	\$520,455.00	\$8,461,677.58	\$8,918,190.00	\$456,512.42	-

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**City of Muskegon**  
*2009 Water Revenue Refunding Bonds*  
*Refunding of 1993 and 1999 Bonds*  
*Dated: March 1, 2009*

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**Debt Service Comparison**

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**Part 2 of 2**

**PV Analysis Summary (Net to Net)**

Gross PV Debt Service Savings.....	485,440.44
Net PV Cashflow Savings @ 3.354%(AIC).....	485,440.44
Transfers from Prior Issue Debt Service Fund.....	(99,465.00)
Contingency or Rounding Amount.....	4,954.08
Net Present Value Benefit.....	\$390,929.52
Net PV Benefit / \$6,565,000 Refunded Principal.....	5.955%
Net PV Benefit / \$6,740,000 Refunding Principal.....	5.800%
Average Annual Cash Flow Savings.....	41,501.13

**Refunding Bond Information**

Refunding Dated Date.....	3/01/2009
Refunding Delivery Date.....	3/01/2009

**City of Muskegon**  
*2009 Water Revenue Refunding Bonds*  
*Refunding of 1993 and 1999 Bonds*  
*Dated: March 1, 2009*

**Pricing Summary**

Maturity	Type of Bond	Coupon	Yield	Maturity Value	Price	Dollar Price
05/01/2010	Serial Coupon	1.850%	1.850%	10,000.00	100.000%	10,000.00
05/01/2010	Serial Coupon	1.850%	1.850%	590,000.00	100.000%	590,000.00
05/01/2011	Serial Coupon	2.100%	2.100%	10,000.00	100.000%	10,000.00
05/01/2011	Serial Coupon	2.100%	2.100%	595,000.00	100.000%	595,000.00
05/01/2012	Serial Coupon	2.250%	2.250%	620,000.00	100.000%	620,000.00
05/01/2013	Serial Coupon	2.350%	2.350%	640,000.00	100.000%	640,000.00
05/01/2014	Serial Coupon	2.550%	2.550%	660,000.00	100.000%	660,000.00
05/01/2015	Serial Coupon	2.750%	2.750%	680,000.00	100.000%	680,000.00
05/01/2016	Serial Coupon	3.000%	3.000%	700,000.00	100.000%	700,000.00
05/01/2017	Serial Coupon	3.200%	3.200%	720,000.00	100.000%	720,000.00
05/01/2018	Serial Coupon	3.400%	3.400%	745,000.00	100.000%	745,000.00
05/01/2019	Serial Coupon	3.650%	3.650%	770,000.00	100.000%	770,000.00
Total	~	~	~	\$6,740,000.00	~	\$6,740,000.00

**Bid Information**

Par Amount of Bonds.....	\$6,740,000.00
Gross Production.....	\$6,740,000.00
Total Underwriter's Discount (1.000%).....	\$(67,400.00)
Bid (99.000%).....	6,672,600.00
Total Purchase Price.....	\$6,672,600.00
Bond Year Dollars.....	\$39,798.33
Average Life.....	5.905 Years
Average Coupon.....	3.0307215%
Net Interest Cost (NIC).....	3.2000754%
True Interest Cost (TIC).....	3.2023346%

**City of Muskegon**  
*1999 Water Revenue and Refunding Bonds*  
*Dated: 3/2/99*  
*Callable: 5/1/09 @ 100*

**Debt Service To Maturity And To Call**

Date	Refunded Bonds	Interest to Call	D/S To Call	Principal	Coupon	Interest	Refunded D/S
05/01/2009	5,665,000.00	128,947.50	5,793,947.50	-	4.100%	128,947.50	128,947.50
11/01/2009	-	-	-	-	-	128,947.50	128,947.50
05/01/2010	-	-	-	535,000.00	4.200%	128,947.50	663,947.50
11/01/2010	-	-	-	-	-	117,712.50	117,712.50
05/01/2011	-	-	-	555,000.00	4.300%	117,712.50	672,712.50
11/01/2011	-	-	-	-	-	105,780.00	105,780.00
05/01/2012	-	-	-	130,000.00	4.350%	105,780.00	235,780.00
11/01/2012	-	-	-	-	-	102,952.50	102,952.50
05/01/2013	-	-	-	155,000.00	4.400%	102,952.50	257,952.50
11/01/2013	-	-	-	-	-	99,542.50	99,542.50
05/01/2014	-	-	-	635,000.00	4.500%	99,542.50	734,542.50
11/01/2014	-	-	-	-	-	85,255.00	85,255.00
05/01/2015	-	-	-	665,000.00	4.550%	85,255.00	750,255.00
11/01/2015	-	-	-	-	-	70,126.25	70,126.25
05/01/2016	-	-	-	695,000.00	4.600%	70,126.25	765,126.25
11/01/2016	-	-	-	-	-	54,141.25	54,141.25
05/01/2017	-	-	-	730,000.00	4.650%	54,141.25	784,141.25
11/01/2017	-	-	-	-	-	37,168.75	37,168.75
05/01/2018	-	-	-	765,000.00	4.750%	37,168.75	802,168.75
11/01/2018	-	-	-	-	-	19,000.00	19,000.00
05/01/2019	-	-	-	800,000.00	4.750%	19,000.00	819,000.00
<b>Total</b>	<b>\$5,665,000.00</b>	<b>\$128,947.50</b>	<b>\$5,793,947.50</b>	<b>\$5,665,000.00</b>	<b>-</b>	<b>\$1,770,200.00</b>	<b>\$7,435,200.00</b>

**Yield Statistics**

Average Life.....	6.417 Years
Weighted Average Maturity (Par Basis).....	6.417 Years
Average Coupon.....	4.6328527%

**Refunding Bond Information**

Refunding Dated Date.....	3/01/2009
Refunding Delivery Date.....	3/01/2009

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**City of Muskegon**  
*Refunding of 1999 Water Revenue and Refunding Bonds*  
*Dated: March 1, 2009*

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**Current Refunding Escrow**

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Date	Principal	Rate	Interest	+Transfers	Receipts	Disbursements	Cash Balance
03/01/2009	-	-	-	-	0.04	-	0.04
05/01/2009	5,707,692.00	0.030%	286.16	85,969.30	5,793,947.46	5,793,947.50	-
Total	\$5,707,692.00	-	\$286.16	\$85,969.30	\$5,793,947.50	\$5,793,947.50	-

**Investment Parameters**

Investment Model [PV, GIC, or Securities].....	Securities
Default investment yield target.....	User Defined
Cost of Investments Purchased with Fund Transfers.....	85,965.00
Cash Deposit.....	0.04
Cost of Investments Purchased with Bond Proceeds.....	5,707,692.00
Total Cost of Investments.....	\$5,793,657.04
Target Cost of Investments at bond yield.....	\$5,679,605.07
Actual positive or (negative) arbitrage.....	(28,086.97)
Yield to Receipt.....	0.0300830%
Yield for Arbitrage Purposes.....	3.0123684%
State and Local Government Series (SLGS) rates for.....	1/09/2009



**City of Muskegon**  
*Refunding of 1999 Water Revenue and Refunding Bonds*  
*Dated: March 1, 2009*

**Debt Service Schedule**

<b>Part 1 of 2</b>					
Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
03/01/2009	-	-	-	-	-
11/01/2009	-	-	109,728.33	109,728.33	-
12/31/2009	-	-	-	-	109,728.33
05/01/2010	590,000.00	1.850%	82,296.25	672,296.25	-
11/01/2010	-	-	76,838.75	76,838.75	-
12/31/2010	-	-	-	-	749,135.00
05/01/2011	595,000.00	2.100%	76,838.75	671,838.75	-
11/01/2011	-	-	70,591.25	70,591.25	-
12/31/2011	-	-	-	-	742,430.00
05/01/2012	165,000.00	2.250%	70,591.25	235,591.25	-
11/01/2012	-	-	68,735.00	68,735.00	-
12/31/2012	-	-	-	-	304,326.25
05/01/2013	190,000.00	2.350%	68,735.00	258,735.00	-
11/01/2013	-	-	66,502.50	66,502.50	-
12/31/2013	-	-	-	-	325,237.50
05/01/2014	660,000.00	2.550%	66,502.50	726,502.50	-
11/01/2014	-	-	58,087.50	58,087.50	-
12/31/2014	-	-	-	-	784,590.00
05/01/2015	680,000.00	2.750%	58,087.50	738,087.50	-
11/01/2015	-	-	48,737.50	48,737.50	-
12/31/2015	-	-	-	-	786,825.00
05/01/2016	700,000.00	3.000%	48,737.50	748,737.50	-
11/01/2016	-	-	38,237.50	38,237.50	-
12/31/2016	-	-	-	-	786,975.00
05/01/2017	720,000.00	3.200%	38,237.50	758,237.50	-
11/01/2017	-	-	26,717.50	26,717.50	-
12/31/2017	-	-	-	-	784,955.00
05/01/2018	745,000.00	3.400%	26,717.50	771,717.50	-
11/01/2018	-	-	14,052.50	14,052.50	-
12/31/2018	-	-	-	-	785,770.00
05/01/2019	770,000.00	3.650%	14,052.50	784,052.50	-
12/31/2019	-	-	-	-	784,052.50
<b>Total</b>	<b>\$5,815,000.00</b>	<b>-</b>	<b>\$1,129,024.58</b>	<b>\$6,944,024.58</b>	<b>-</b>

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**City of Muskegon**  
*Refunding of 1999 Water Revenue and Refunding Bonds*  
*Dated: March 1, 2009*

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**Debt Service Schedule**

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**Part 2 of 2**

**Yield Statistics**

Bond Year Dollars.....	\$36,449.17
Average Life.....	6.268 Years
Average Coupon.....	3.0975319%
Net Interest Cost (NIC).....	3.2570692%
True Interest Cost (TIC).....	3.2614624%
Bond Yield for Arbitrage Purposes.....	3.0123684%
All Inclusive Cost (AIC).....	3.4057708%

**IRS Form 8038**

Net Interest Cost.....	3.0975319%
Weighted Average Maturity.....	6.268 Years

**City of Muskegon**  
*Refunding of 1999 Water Revenue and Refunding Bonds*  
*Dated: March 1, 2009*

**Debt Service Comparison**

Part 1 of 2

Date	Total P+I	Non-Refunded	Total	Old Net D/S	Savings	Fiscal Total
03/01/2009	-	-	(3,216.00)	(85,965.00)	(82,749.00)	-
05/01/2009	-	520,455.00	520,455.00	649,402.50	128,947.50	-
11/01/2009	109,728.33	-	109,728.33	128,947.50	19,219.17	-
12/31/2009	-	-	-	-	-	65,417.67
05/01/2010	672,296.25	-	672,296.25	663,947.50	(8,348.75)	-
11/01/2010	76,838.75	-	76,838.75	117,712.50	40,873.75	-
12/31/2010	-	-	-	-	-	32,525.00
05/01/2011	671,838.75	-	671,838.75	672,712.50	873.75	-
11/01/2011	70,591.25	-	70,591.25	105,780.00	35,188.75	-
12/31/2011	-	-	-	-	-	36,062.50
05/01/2012	235,591.25	-	235,591.25	235,780.00	188.75	-
11/01/2012	68,735.00	-	68,735.00	102,952.50	34,217.50	-
12/31/2012	-	-	-	-	-	34,406.25
05/01/2013	258,735.00	-	258,735.00	257,952.50	(782.50)	-
11/01/2013	66,502.50	-	66,502.50	99,542.50	33,040.00	-
12/31/2013	-	-	-	-	-	32,257.50
05/01/2014	726,502.50	-	726,502.50	734,542.50	8,040.00	-
11/01/2014	58,087.50	-	58,087.50	85,255.00	27,167.50	-
12/31/2014	-	-	-	-	-	35,207.50
05/01/2015	738,087.50	-	738,087.50	750,255.00	12,167.50	-
11/01/2015	48,737.50	-	48,737.50	70,126.25	21,388.75	-
12/31/2015	-	-	-	-	-	33,556.25
05/01/2016	748,737.50	-	748,737.50	765,126.25	16,388.75	-
11/01/2016	38,237.50	-	38,237.50	54,141.25	15,903.75	-
12/31/2016	-	-	-	-	-	32,292.50
05/01/2017	758,237.50	-	758,237.50	784,141.25	25,903.75	-
11/01/2017	26,717.50	-	26,717.50	37,168.75	10,451.25	-
12/31/2017	-	-	-	-	-	36,355.00
05/01/2018	771,717.50	-	771,717.50	802,168.75	30,451.25	-
11/01/2018	14,052.50	-	14,052.50	19,000.00	4,947.50	-
12/31/2018	-	-	-	-	-	35,398.75
05/01/2019	784,052.50	-	784,052.50	819,000.00	34,947.50	-
12/31/2019	-	-	-	-	-	34,947.50
<b>Total</b>	<b>\$6,944,024.58</b>	<b>\$520,455.00</b>	<b>\$7,461,263.58</b>	<b>\$7,869,690.00</b>	<b>\$408,426.42</b>	<b>-</b>

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**City of Muskegon**  
*Refunding of 1999 Water Revenue and Refunding Bonds*  
*Dated: March 1, 2009*

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**Debt Service Comparison**

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**Part 2 of 2**

**PV Analysis Summary (Net to Net)**

Gross PV Debt Service Savings.....	427,992.35
Net PV Cashflow Savings @ 3.406%(AIC).....	427,992.35
Transfers from Prior Issue Debt Service Fund.....	(85,965.00)
Contingency or Rounding Amount.....	3,216.00
Net Present Value Benefit.....	\$345,243.35
Net PV Benefit / \$5,665,000 Refunded Principal.....	6.094%
Net PV Benefit / \$5,815,000 Refunding Principal.....	5.937%
Average Annual Cash Flow Savings.....	37,129.67

**Refunding Bond Information**

Refunding Dated Date.....	3/01/2009
Refunding Delivery Date.....	3/01/2009

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**City of Muskegon**  
*1999 Water Revenue and Refunding Bonds*  
*Dated: 3/2/99*  
*Callable: 5/1/09 @ 100*

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**Current Outstanding Debt Service**

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Date	Principal	Coupon	Interest	Total P+I
05/01/2009	510,000.00	4.100%	10,455.00	520,455.00
Total	\$510,000.00	-	\$10,455.00	\$520,455.00

**Yield Statistics**

Average Life.....	0.167 Years
Weighted Average Maturity (Par Basis).....	0.167 Years
Average Coupon.....	4.100000%

**Refunding Bond Information**

Refunding Dated Date.....	3/01/2009
Refunding Delivery Date.....	3/01/2009

**City of Muskegon, Michigan**  
*1993 Water Supply Revenue Bonds*  
*Dated October 1, 1993*  
*Callable May 1, 2001 @ 101; 04 @ 100.5; 06 @ 100*

**Debt Service To Maturity And To Call**

Date	Refunded Bonds	Interest to Call	D/S To Call	Principal	Coupon	Interest	Refunded D/S
05/01/2009	900,000.00	20,250.00	920,250.00	-	-	20,250.00	20,250.00
11/01/2009	-	-	-	-	-	20,250.00	20,250.00
05/01/2010	-	-	-	-	-	20,250.00	20,250.00
11/01/2010	-	-	-	-	-	20,250.00	20,250.00
05/01/2011	-	-	-	-	-	20,250.00	20,250.00
11/01/2011	-	-	-	-	-	20,250.00	20,250.00
05/01/2012	-	-	-	450,000.00	4.500%	20,250.00	470,250.00
11/01/2012	-	-	-	-	-	10,125.00	10,125.00
05/01/2013	-	-	-	450,000.00	4.500%	10,125.00	460,125.00
Total	\$900,000.00	\$20,250.00	\$920,250.00	\$900,000.00	-	\$162,000.00	\$1,062,000.00

**Yield Statistics**

Average Life.....	3.667 Years
Weighted Average Maturity (Par Basis).....	3.667 Years
Average Coupon.....	4.5000000%

**Refunding Bond Information**

Refunding Dated Date.....	3/01/2009
Refunding Delivery Date.....	3/01/2009

**City of Muskegon**  
*Refunding of Outstanding 1993 Water Revenue Bonds*  
*Dated: March 1, 2009*

**Current Refunding Escrow**

Date	Principal	Rate	Interest	+Transfers	Receipts	Disbursements	Cash Balance
03/01/2009	-	-	-	-	0.88	-	0.88
05/01/2009	906,703.00	0.030%	45.45	13,500.67	920,249.12	920,250.00	-
Total	\$906,703.00	-	\$45.45	\$13,500.67	\$920,250.00	\$920,250.00	-

**Investment Parameters**

Investment Model [PV, GIC, or Securities].....	Securities
Default investment yield target.....	User Defined
Cost of Investments Purchased with Fund Transfers.....	13,500.00
Cash Deposit.....	0.88
Cost of Investments Purchased with Bond Proceeds.....	906,703.00
Total Cost of Investments.....	\$920,203.88
Target Cost of Investments at bond yield.....	\$902,242.07
Actual positive or (negative) arbitrage.....	(4,461.81)
Yield to Receipt.....	0.0300775%
Yield for Arbitrage Purposes.....	3.0123684%
State and Local Government Series (SLGS) rates for.....	1/09/2009

**City of Muskegon**  
*Refunding of Outstanding 1993 Water Revenue Bonds*  
*Dated: March 1, 2009*

**Debt Service Schedule**

Date	Principal	Coupon	Interest	Total P+I	Fiscal Total
03/01/2009	-	-	-	-	-
11/01/2009	-	-	14,138.33	14,138.33	-
12/31/2009	-	-	-	-	14,138.33
05/01/2010	10,000.00	1.850%	10,603.75	20,603.75	-
11/01/2010	-	-	10,511.25	10,511.25	-
12/31/2010	-	-	-	-	31,115.00
05/01/2011	10,000.00	2.100%	10,511.25	20,511.25	-
11/01/2011	-	-	10,406.25	10,406.25	-
12/31/2011	-	-	-	-	30,917.50
05/01/2012	455,000.00	2.250%	10,406.25	465,406.25	-
11/01/2012	-	-	5,287.50	5,287.50	-
12/31/2012	-	-	-	-	470,693.75
05/01/2013	450,000.00	2.350%	5,287.50	455,287.50	-
12/31/2013	-	-	-	-	455,287.50
<b>Total</b>	<b>\$925,000.00</b>	<b>-</b>	<b>\$77,152.08</b>	<b>\$1,002,152.08</b>	<b>-</b>

**Yield Statistics**

Bond Year Dollars.....	\$3,349.17
Average Life.....	3.621 Years
Average Coupon.....	2.3036202%
Net Interest Cost (NIC).....	2.5798083%
True Interest Cost (TIC).....	2.5937667%
Bond Yield for Arbitrage Purposes.....	3.0123684%
All Inclusive Cost (AIC).....	2.8264191%

**IRS Form 8038**

Net Interest Cost.....	2.3036202%
Weighted Average Maturity.....	3.621 Years



**City of Muskegon**  
*Refunding of Outstanding 1993 Water Revenue Bonds*  
*Dated: March 1, 2009*

**Debt Service Comparison**

Date	Total P+I	Net New D/S	Old Net D/S	Savings	Fiscal Total
03/01/2009	-	(1,738.08)	(13,500.00)	(11,761.92)	-
05/01/2009	-	-	20,250.00	20,250.00	-
11/01/2009	14,138.33	14,138.33	20,250.00	6,111.67	-
12/31/2009	-	-	-	-	14,599.75
05/01/2010	20,603.75	20,603.75	20,250.00	(353.75)	-
11/01/2010	10,511.25	10,511.25	20,250.00	9,738.75	-
12/31/2010	-	-	-	-	9,385.00
05/01/2011	20,511.25	20,511.25	20,250.00	(261.25)	-
11/01/2011	10,406.25	10,406.25	20,250.00	9,843.75	-
12/31/2011	-	-	-	-	9,582.50
05/01/2012	465,406.25	465,406.25	470,250.00	4,843.75	-
11/01/2012	5,287.50	5,287.50	10,125.00	4,837.50	-
12/31/2012	-	-	-	-	9,681.25
05/01/2013	455,287.50	455,287.50	460,125.00	4,837.50	-
12/31/2013	-	-	-	-	4,837.50
<b>Total</b>	<b>\$1,002,152.08</b>	<b>\$1,000,414.00</b>	<b>\$1,048,500.00</b>	<b>\$48,086.00</b>	<b>-</b>

**PV Analysis Summary (Net to Net)**

Gross PV Debt Service Savings.....	57,093.15
Net PV Cashflow Savings @ 2.826%(AIC).....	57,093.15
Transfers from Prior Issue Debt Service Fund.....	(13,500.00)
Contingency or Rounding Amount.....	1,738.08
Net Present Value Benefit.....	\$45,331.23
Net PV Benefit / \$900,000 Refunded Principal.....	5.037%
Net PV Benefit / \$925,000 Refunding Principal.....	4.901%
Average Annual Cash Flow Savings.....	9,617.20

**Refunding Bond Information**

Refunding Dated Date.....	3/01/2009
Refunding Delivery Date.....	3/01/2009

CITY COMMISSION MEETING  
Tuesday, January 27, 2009

TO: Honorable Mayor and City Commissioners

FROM: Anthony L. Kleibecker

DATE: January 20, 2009

SUBJECT: Towing Contract

SUMMARY OF REQUEST:

Proposals have been accepted for the towing contract with the city. This contract will go into effect on February 1, 2009. Proposals were submitted by the following companies:

1. All Pro Towing and Recovery, 2930 E. Apple, Muskegon 49442
2. Baxter's Towing and Storage, 5333 Airline, Muskegon, 49444
3. Campbell's Towing, 2462 South Getty, Muskegon Heights,
4. Central Towing, 710 Alberta, Muskegon, 49441
5. Reliable Towing, 1288 Ninth St., Muskegon 49440

I have attached a spreadsheet that provides an overview of the bids along with the bids that were submitted by each company.

Based upon the proposals that were submitted, I am recommending that the commission approve a contract with Campbell's Towing, 2462 South Getty.

FINANICAL IMPACT:

None

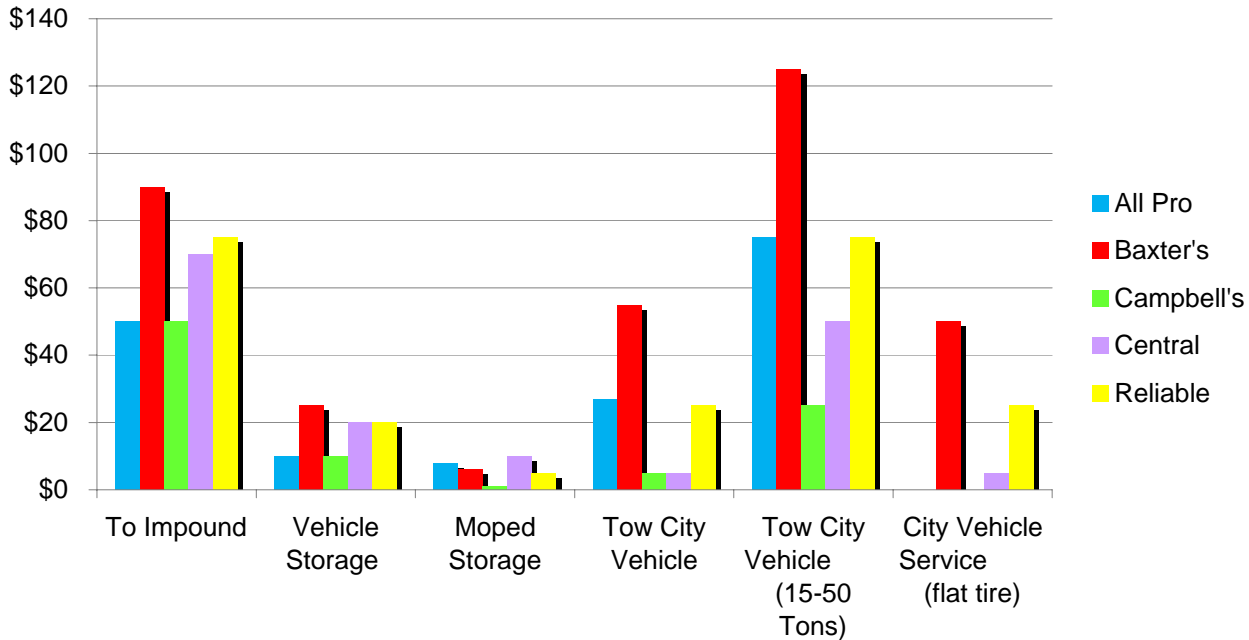
BUDGET ACTION REQUIRED:

None.

STAFF RECOMMENDATION:

Approval of this request.

## 2009 Towing Bid Pricing






Service	To Impound	Vehicle Storage	Moped Storage	Tow City Vehicle	Tow City Vehicle (15-50 Tons)	City Vehicle Service (flat tire)
Fee Paid by	Owner	Owner	Owner	City	City	City
<b><u>2009</u></b>						
All Pro	\$50	\$10	\$8	\$27	\$75	\$0
Baxter's	\$90	\$25	\$6	\$55	\$125	\$50
Campbell's	\$50	\$10	\$1	\$5	\$25	\$0
Central	\$70	\$20	\$10	\$5	\$50	\$5
Reliable	\$75	\$20	\$5	\$25	\$75	\$25
<b><u>2010</u></b>						
All Pro	\$53	\$13	\$10	\$28	\$79	\$0
Baxter's	\$95	\$30	\$6	\$60	\$130	\$55
Campbell's	\$50	\$10	\$1	\$5	\$25	\$0
Central	\$70	\$20	\$10	\$5	\$50	\$5
Reliable	\$75	\$20	\$5	\$25	\$75	\$25
<b><u>2011</u></b>						
All Pro	\$55	\$15	\$12	\$30	\$83	\$0
Baxter's	\$100	\$35	\$7	\$65	\$140	\$60
Campbell's	\$50	\$10	\$1	\$5	\$25	\$0
Central	\$70	\$20	\$10	\$5	\$50	\$5
Reliable	\$75	\$20	\$5	\$25	\$75	\$25

## Annual Increases

Service	To Impound	Vehicle Storage	Moped Storage	Tow City Vehicle	Tow City Vehicle (15-50 Tons)	City Vehicle Service (flat tire)
Fee Paid by	Owner	Owner	Owner	City	City	City
<b><u>2010</u></b>						
All Pro	\$3	\$3	\$2	\$1	\$4	\$0
Baxter's	\$5	\$5	\$0	\$5	\$5	\$5
Campbell's	\$0	\$0	\$0	\$0	\$0	\$0
Central	\$0	\$0	\$0	\$0	\$0	\$0
Reliable	\$0	\$0	\$0	\$0	\$0	\$0
<b><u>2011</u></b>						
All Pro	\$2	\$2	\$2	\$2	\$4	\$0
Baxter's	\$5	\$5	\$1	\$5	\$10	\$5
Campbell's	\$0	\$0	\$0	\$0	\$0	\$0
Central	\$0	\$0	\$0	\$0	\$0	\$0
Reliable	\$0	\$0	\$0	\$0	\$0	\$0

# TOWING SERVICE AND STORAGE OF AN IMPOUNDED VEHICLE WITHIN THE CORPORATE LIMITS OF THE CITY OF MUSKEGON

## BID PROPOSAL

Service Description	January 1, 2009 thru December 31, 2009	January 1, 2010 thru December 31, 2010	January 1, 2011 thru December 31, 2011
Towing to Impound facility	\$50 <sup>00</sup>	\$53 <sup>00</sup>	\$55 <sup>00</sup>
Storage per day at facility	\$10 <sup>00</sup>	\$13 <sup>00</sup>	\$15 <sup>00</sup>
Moped storage per day	\$8 <sup>00</sup>	\$10 <sup>00</sup>	\$12 <sup>00</sup>
Towing of City vehicles to Muskegon Locales ( i.e. DPW, MPD, dealerships)	\$27 <sup>00</sup>	\$28 <sup>00</sup>	\$30 <sup>00</sup>
Same as above for City vehicles 15 to 50 tons	\$75 <sup>00</sup>	\$79 <sup>00</sup>	\$83 <sup>00</sup>
City vehicle flat tire change/exchange (DPW heavy equipment exempt)	 INC. Jumps, Lockouts	 Stuck 2015	

## BIDDER INFORMATION

Bidder: <u>Matt Alford, Manager</u>	
Representing: <u>All Pro Towing + Recovery</u>	
Address: <u>2930 E. Apple Ave.</u>	City/Zip: <u>Muskegon 49442</u>
Phone: <u>(231) 773-5161</u>	Website/Email: <u>all-pro-towing@verizon.net</u>
Dated: <u>12/8/08</u>	

All bids are to be submitted to:

City Of Muskegon Clerk's Office  
933 Terrace  
Muskegon, MI 49440

# TOWING SERVICE AND STORAGE OF AN IMPOUNDED VEHICLE WITHIN THE CORPORATE LIMITS OF THE CITY OF MUSKEGON

## **BID PROPOSAL**

Service Description	January 1, 2009 thru December 31, 2009	January 1, 2010 thru December 31, 2010	January 1, 2011 thru December 31, 2011
<i>Towing to Impound facility</i>	see page 1 & 2	see pages 1 2 & 5	see page 12&5
<i>Storage per day at facility</i>	see page 3	see page 3 & 5	see page 3 & 5
<i>Moped storage per day</i>	see page 3	see page 3 & 5	see page 3 & 5
<i>Towing of City vehicles to Muskegon Locales ( i.e. DPW, MPD, dealerships)</i>	see page 4	see page 4 & 5	see page 4&5
<i>Same as above for City vehicles 15 to 50 tons</i>	see page 4	see page 4 & 5	see page 4&5
<i>City vehicle flat tire change/exchange (DPW heavy equipment exempt)</i>	see page 4	see page 4 & 5	see page 4&5

## **BIDDER INFORMATION**

**Bidder:** Baxter's Towing & Storage Inc.

**Representing:**

**Address** 5333 Airline

**City/Zip** Muskegon 49444

**Phone**  
231-865-3731

**Website/Email:**

**Dated:** 12/08/08

*All bids are to be submitted to:*

City Of Muskegon Clerk's Office  
933 Terrace  
Muskegon, MI 49440

# **BAXTER'S TOWING STORAGE**

**5333 Airline Muskegon MI 49444  
(231) 865-3731**

**City of Muskegon 2009 Bid**

## **Impound\***

### **Vehicle under 10,000 GVWR.**

\$90 - Vehicles not requiring Flatbed or Dollies

\$125 - Vehicles requiring Flatbed or Dollies. (i.e. 4x4, AWD, flat tires, broken suspension parts)

\$150 - Pick up with front plow or rear plow

\$175 - Pick up with front plow and rear plow

\$90 - Moped, Dirt bike, ATV

\$150 - Motorcycle

\$45 - 4x4 Service

\*Extra time on scene - \$75 per hour by the ¼ hour

\*Recovery – winch fee - \$1 per foot with a \$50 minimum

### **10,000 – 14,999 GVWR**

\$150 per hour

### **15,000 – 33,000 GVWR**

\$200 per hour

### **33,001 – 54,000 GVWR**

\$250 per hour

### **54,001 GVWR and up**

\$300 per hour

### **Trailers up to 10,000 GVWR**

#### **Towable**

\$90 - Single Axle Trailer\*

\$100 - Tandem Axle Trailer\*

\$125 - Tri-Axle Trailer\*

\* Rates are for empty trailers

\*Rates for loaded trailers – base rate plus extra subject to load

\*Over 10,000 GVWR – Rate is a per job basis

\*Rates are for tongue pull hitches. 5t/h wheel and gooseneck \$40 fee applies

#### **Non Towable**

Up to 20ft - \$45 flatbed rate applies.

Over 20ft. - semi tractor and Landoll rates applies.

# **BAXTER'S TOWING STORAGE**

**5333 Airline Muskegon MI 49444  
(231) 865-3731**

## **Equipment - Agricultural and Industrial**

Under 8000# - flatbed rate plus extra time depending on situation

Over 8000# - semi tractor and Landoll rates apply

\*Hazardous impound additional \$35 - \$75 depending on class.

\*Night, weekend, and holiday rates apply.

\*Fuel Surcharge applies.

## **Accident**

### **Light Duty Wrecker**

\$150 – Base fee in town

\$175 – Highway base fee

Rollover - \$35 - \$65

Clean up - \$25 & up depending on circumstances

Winch out - \$1 per foot with a \$50 minimum

Flatbed & Dollie fee \$45

Oil dry \$10 minimum.

Extra recovery and standby time for non standard circumstances is \$75 per hour by the ¼ hour

### **Medium Duty Wrecker**

\$300 First hour

\$175 Each additional hour

### **Heavy Duty Wrecker**

\$500 First hour

\$300 Each additional hour

### **Heavy Duty Wrecker with use of crane**

\$600 First hour

\$400 Each additional hour

### **Semi Tractor & Landoll Trailer**

\$400 First hour

\$250 Each additional hour

\*Additional equipment rates are per hour as needed.

\*Hazardous accidents 2x – 4x hourly rated depending on class.

\*Night, weekend, and holiday rates apply.

\*Fuel Surcharge applies.



# **BAXTER'S TOWING STORAGE**

**5333 Airline Muskegon MI 49444  
(231) 865-3731**

## **Storage Fees**

Cars, light trucks(standard cab longbox), SUV - \$25 per day

Larger vehicles – 25 cents a square foot

Motorcycles, quads, ATV's, snowmobiles - \$12 per day

Mopeds - \$6 per day

\*Storage of vehicles leaking fluids

\*Minimum one time fee of \$10

\*Others – based on leak, containment, and disposal – per case basis

# **BAXTER'S TOWING STORAGE**

**5333 Airline Muskegon MI 49444  
(231) 865-3731**

## **City of Muskegon Vehicles**

### **Under 10,000 GVWR**

\$55 – In town tow  
\$80 – In town flatbed tow

### **10,000 – 15,000 GVWR**

\$100 First hour  
\$75 Each additional hour

### **15,001 – 20,000 GVWR**

\$125 First hour  
\$100 Each additional hour

### **20,000 – 33,000 GVWR**

\$175 First hour  
\$150 Each additional

### **33,001 – 54,000 GVWR**

\$200 First hour  
\$175 Each additional

### **54,001 GVWR and up**

\$275 First hour  
\$250 Each additional

Flat Tire - \$50 (DPW heavy equipment exempt)

\*Hazardous towing additional \$35 - \$75 depending on class.

\*Night, weekend, and holiday rates **do not** apply.

\*Fuel Surcharge applies

# **BAXTER'S TOWING STORAGE**

**5333 Airline Muskegon MI 49444  
(231) 865-3731**

## **Response time**

Due to traffic, weather conditions, slow starting and stopping medium and heavy duty wreckers can not make the 25 minute response time on every call.

## **Hourly Rates**

Rates price per vehicle.

Minimum charge of 1 hour.

Rates are Port to Port.

Additional hours are charged by the ¼ hour.

## **Flatbed or Dollies Policy**

To protect customers vehicle from damage we will not tow vehicle on drive wheel.

## **Fuel Surcharge**

1% for every 10 cents over \$3.00 per gallon of diesel fuel.

Based on the price of diesel at Wesco @ Broadway & Black Creek on Monday of every week.

## **Night & Weekend Rates**

10pm – 6am weekdays

10pm Fri.-6am Mon. weekends

10% Surcharge

## **Holiday Rates**

City recognized holidays.

25% Surcharge

## **2010 & 2011 Rates**

5% increase rounded up to the nearest \$5.00 per year.

- \* Contract can be canceled by either party with 60 day notice.
- \* If more than one fee is applicable the higher fee will apply
- \* Some revisions will be made to **Sample** contract if bid is awarded

# TOWING SERVICE AND STORAGE OF AN IMPOUNDED VEHICLE WITHIN THE CORPORATE LIMITS OF THE CITY OF MUSKEGON

## BID PROPOSAL

Service Description	January 1, 2009 thru December 31, 2009	January 1, 2010 thru December 31, 2010	January 1, 2011 thru December 31, 2011
Towing to Impound facility	\$ 50. <sup>00</sup> per vehicle	\$ 50. <sup>00</sup> per vehicle	\$ 50. <sup>00</sup> per vehicle
Storage per day at facility	\$ 10. <sup>00</sup> vehicle	\$ 10. <sup>00</sup> vehicle	\$ 10. <sup>00</sup> vehicle
Moped storage per day	\$ 1. <sup>00</sup>	\$ 1. <sup>00</sup>	\$ 1. <sup>00</sup>
Towing of City vehicles to Muskegon Locales (i.e. DPW, MPD, dealerships)	\$ 5. <sup>00</sup>	\$ 5. <sup>00</sup>	\$ 5. <sup>00</sup>
Same as above for City vehicles 15 to 50 tons	\$ 25. <sup>00</sup>	\$ 25. <sup>00</sup>	\$ 25. <sup>00</sup>
City vehicle flat tire change/exchange (DPW heavy equipment exempt)	NO CHARGE ⊖	NO CHARGE ⊖	NO CHARGE ⊖

## BIDDER INFORMATION

Bidder:

Campbell's Towing / Robert Campbell

Representing:

Campbell's Towing

Address

2462 SGETT

City/Zip

Muskegon MI

Phone

22-2796

Website/Email:

dderamos@aol.com

Dated:

12-4-08

All bids are to be submitted to:

City Of Muskegon Clerk's Office  
933 Terrace  
Muskegon, MI 49440

# TOWING SERVICE AND STORAGE OF AN IMPOUNDED VEHICLE WITHIN THE CORPORATE LIMITS OF THE CITY OF MUSKEGON

## **BID PROPOSAL**

Service Description	January 1, 2009 thru December 31, 2009	January 1, 2010 thru December 31, 2010	January 1, 2011 thru December 31, 2011
<i>Towing to Impound facility</i>	\$ 70.00	\$ 70.00	\$ 70.00
<i>Storage per day at facility</i>	\$ 20.00	\$ 20.00	\$ 20.00
<i>Moped storage per day</i>	\$ 10.00	\$ 10.00	\$ 10.00
<i>Towing of City vehicles to Muskegon Locales ( i.e. DPW, MPD, dealerships)</i>	\$ 5.00	\$ 5.00	\$ 5.00
<i>Same as above for City vehicles 15 to 50 tons</i>	\$ 50.00	\$ 50.00	\$ 50.00
<i>City vehicle flat tire change/exchange (DPW heavy equipment exempt)</i>	\$ 5.00	\$ 5.00	\$ 5.00

## **BIDDER INFORMATION**

**Bidder:**

Ed Higgins

**Representing:**

Central Towing

**Address**

710 Alberta Ave

**City/Zip**

Muskegon, 49441

**Phone**

755-3708

**Website/Email:**

**Dated:**

12-5-08

**All bids are to be submitted to:**

City Of Muskegon Clerk's Office  
933 Terrace  
Muskegon, MI 49440

# TOWING SERVICE AND STORAGE OF AN IMPOUNDED VEHICLE WITHIN THE CORPORATE LIMITS OF THE CITY OF MUSKEGON

## BID PROPOSAL

Service Description	January 1, 2009 thru December 31, 2009	January 1, 2010 thru December 31, 2010	January 1, 2011 thru December 31, 2011
<i>Towing to Impound facility</i>	75.00	75.00	75.00
<i>Storage per day at facility</i>	20.00	20.00	20.00
<i>Moped storage per day</i>	5.00	5.00	5.00
<i>Towing of City vehicles to Muskegon Locales (i.e. DPW, MPD, dealerships)</i>	25.00	25.00	25.00
<i>Same as above for City vehicles 15 to 50 tons</i>	75.00	75.00	75.00
<i>City vehicle flat tire change/exchange (DPW heavy equipment exempt)</i>	25.00	25.00	25.00

## BIDDER INFORMATION

Bidder: *David Alan Strait*

Representing: *Reliable Towing*

Address: *1288 North St.*

City/Zip: *Muskegon, 49440*

Phone: *231-722-1309*

Website/Email:

Dated: *12.6.08*

All bids are to be submitted to:

City Of Muskegon Clerk's Office  
933 Terrace  
Muskegon, MI 49440

**Commission Meeting Date: January 27, 2009**

**Date: January 16, 2009**  
**To: Honorable Mayor & City Commission**  
**From: Planning & Economic Development Department CBC**  
**RE: Commercial Redevelopment Tax Abatement  
Districts Policy**

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**SUMMARY OF REQUEST:**

To approve the Commercial Redevelopment Tax Abatement Districts Policy for the City of Muskegon.

**FINANCIAL IMPACT:**

Qualified commercial rehabilitation and redevelopment projects would be eligible for tax exemptions under Michigan Public Act 255 of 1978 . The abatements would be available to restored, replacement and new facilities in designated areas in the city. Restored and replacement facilities would be able to freeze the property tax at its pre-rehabilitated value, effectively allowing the rehabilitation to be property tax free, with the exception of school operating taxes, for up to twelve (12) years. New facilities would have their millages cut in half, except state education tax, and levied against the current taxable value of the building, for up to twelve (12) years.

**BUDGET ACTION REQUIRED:**

None.

**STAFF RECOMMENDATION:**

To approve the Commercial Redevelopment Tax Abatement Districts Policy.

**COMMITTEE RECOMMENDATION:**

None.

POLICY NO. \_\_\_\_\_

CITY OF MUSKEGON  
COMMERCIAL REDEVELOPMENT DISTRICTS  
ACT NO. 255  
PUBLIC ACTS OF 1978

1.0 STRATEGIC PLANNING PROCESS

The City Commission, on January 27, 2009, determined that the following policy is necessary in order to implement a Commercial Redevelopment District. These districts should be considered for the following reasons:

- Legislation available that will benefit the City of Muskegon, particularly our commercial areas
- Implementation will encourage the development / redevelopment of commercial areas that have experienced little or no development / redevelopment in recent years
- To ensure that the redevelopment that does take place is appropriate for the districts identified

2.0 PURPOSE

The Muskegon City Commission is a strong advocate of economic development activities, programs, and structures designed to create and promote employment opportunities and expand the local tax base. The State of Michigan has created incentives that can be used on a local level to spark business development and building rehabilitation. The purpose of this policy is to stimulate business growth and improve commercial areas of the city by exempting general ad valorem taxes and replacing them with a specific commercial facilities tax. The City Commission believes that it should be an active participant and a leader where appropriate in the economic development of the City.

The City of Muskegon supports the establishment of policies, programs, and facilities, permitted by law, which will carry out this policy. For the City to accomplish these purposes in an orderly fashion, it must be assured that the use of tax abatements for commercial redevelopment is judicious, fair, and responsibly accomplished. The City adopts this policy, not only to encourage the use of tax abatements for commercial redevelopment, but also to articulate the reasonable expectations of performance by those directly benefiting from the policy.



### 3.0 POLICY

- A. It is the policy of the City of Muskegon to provide commercial tax abatements to qualifying applicants under certain State laws. The policy will increase the tax base of the community, increase the number of residents in the community, attract new business and industry, and will result in the expansion of businesses.
- B. Multiple certificates by the same applicant are permitted, if authorized by State law, based upon previous performance and compliance with projections and conditions of previous applications. Specific monitoring techniques will be employed which analyze the results of the redevelopment certificate program overall and specifically of each applicant on an annual basis. An annual performance report will be prepared for review by the Commission to determine the need for amendment to this policy.
- C. It is the intent of the City of Muskegon that each application be reviewed against this policy, procedures and the annual reports to determine on a case-by-case basis that the application meets the goals and objectives of the City.

#### 3.1 *Commercial Facilities Exemption Certificate Criteria*

The criteria to be considered by the City Commission in approval of applications, including applications for the establishment of districts, as well as the issuance of certificates, are the following:

1. Compliance with the Commercial Redevelopment Districts Policy as adopted by the City Commission.
2. Completion of facilities must be calculated to, and will at the time of issuance of the certificate have the reasonable likelihood to, increase commercial activity, create employment, retain employment, prevent a loss of employment, revitalize urban areas, or increase the number of residents in the community in which the facility is situated.
3. Will increase the tax base.
4. Compliance of the petitioner in meeting previous commercial redevelopment requirements, and employment goals and investment projections (if relevant).

5. The impacts on public right of way and general circulation patterns.
6. General site improvements such as paving, parking areas, increases in landscaping ground vegetation, and signage improvements.
7. The history of the applicant in payment of taxes, water bills, or any other obligations to the City. "Applicant," for this purpose, shall include any entity controlled by the principal officers or owners of the entity signing the present application. The City shall not issue a certificate or approve a district in cases where the "applicant" as here defined, is delinquent in any tax, water bill, or obligation to the City.
8. The applicant must state, in writing, that the rehabilitation of the facility or the development of the site would not be undertaken without the applicant's receipt of the exemption certificate.
9. The location of the proposed improvements and whether the general area has already been designated as a Commercial Redevelopment Tax Abatement District.
10. The value of the rehabilitation must include improvements aggregating 10 % or more of the true cash value of the property at the commencement of the rehabilitation of property.
11. The impact on property values in the general area of the project.
11. The consistency of the project with adopted codes, ordinances and plans.
12. Other considerations considered unique or of benefit to the community.

### *3.2 Administration & Monitoring Procedures*

The City of Muskegon Planning & Economic Development Department shall be the administrator of the application process on commercial tax abatement certificates. Prior to presenting an application to the City Commission for approval, the Planning & Economic Development Department, in conjunction with any other appropriate city departments, shall review all applications for compliance with this policy.

For each approved application, the property owner receiving the commercial facilities exemption certificate shall submit annual monitoring reports. These reports will include the following information:

- New Jobs Created
- Workforce Breakdown (by race and gender)
- Capital Investment Expended
- Status of any Other Requirements Set Forth by the City Commission

The City of Muskegon shall provide the report forms to the owner in the month of November for year-end calculations.

The Planning & Economic Development Department shall provide an annual report on the status of active commercial facilities exemption certificates to the City Commission in February of the following year. (i.e. 2008 annual report shall be submitted in February of 2009).

### 3.3 *Application Procedures*

The following procedures are intended to implement the foregoing policy and provide complete applications upon which to base a decision for approval or denial. It is intended that the administration of this procedure and the application process be efficient and flexible so as to meet the applicant's needs while complying with the policy as adopted.

#### 1. Applications

- a. Application forms provided by the City shall be filled out completely and additional required documents shall be attached when submitted to the City Clerk.
- b. All fees shall be paid with the application. The Clerk will not process any application without the payment of all required fees.

#### 2. Processing of Applications; Schedule. The application will be processed on the following schedule.

- a. Properly completed application for commercial facilities exemption certificates will be submitted to the City Clerk. Copies will be forwarded to the Planning & Economic Development Department and other appropriate person(s). The Clerk will also notify in writing the City Assessor and the legislative body of each taxing unit that levies ad valorem property taxes in the City of Muskegon.

- b. Meeting scheduled with applicant to go over application, missing items, etc.
- c. A public hearing will be scheduled and resolution drafted to approve a district or certificate.
- d. A public hearing notice prepared by Planning & Economic Development staff for publication and forwarded to the City Clerk for publication in the Muskegon Chronicle. Public notice of the hearing shall not be less than 10 days or more than 30 days before the date of the hearing.
- e. Certified mailing to property owners and taxing authorities with notification of application and public hearing date prepared and executed (if applicable). Notice will be given to all of the following:
  - ◆ Property Owner
  - ◆ Business Owner (if other than property owner)
  - ◆ Muskegon School District or Orchard View School District (whichever is applicable)
  - ◆ Muskegon Community College
  - ◆ Muskegon Area Intermediate School District
  - ◆ City of Muskegon Assessor's office
  - ◆ County of Muskegon
- f. Time requirements set forth in any applicable statute or regulation shall be observed. This includes 60 days for the City Commission to approve or disapprove the certificate and resolution authorizing the certificate, after the completed application is received by the City Clerk, and 60 days for the State Tax Commission ("commission") to approve or disapprove the resolution, after the commission receives the application and resolution adopted by the City Commission.
- g. After approval by City Commission, the City Clerk will review the application and attachments for completeness, then sign the application and send copies to the appropriate persons. A copy of the completed application will be forwarded to the property owner and the original application to the Commission. The resolution is not effective unless approved by the commission.

### *3.4 Establishing Districts & Approving Certificates*

The City Commission, on its own initiative, may choose to establish Commercial Redevelopment Districts on its own. They may establish one or more districts that may consist of one or more parcels or tracts of land or a portion of a parcel or tract of land. It is also possible for the City Commission to establish a district if a written request is filed by the owner or owners of property comprising at least 50% of all taxable value of the property located within a proposed commercial priority rehabilitation district. The written request must be filed with the City Clerk. The resolution creating the Commercial Redevelopment District will note all terms and conditions to be met by both the applicant and the community, if any. The District shall be approved by resolution of the City Commission to include the boundaries of the district.

A Commercial Redevelopment Exemption Certificate shall be approved only after the creation of the District. The Certificate shall be approved by resolution of the City Commission to include the boundaries of the Commercial Redevelopment District, the length of the abatement (6-12 years), and any conditions the City Commission deems appropriate for the issuance of the Certificate.

### *3.5 Filing and Compliance Monitoring Fee*

The applicant shall pay the filing and monitoring fee at the time the application is made. No applications shall be submitted to City Commission for approval prior to the payment of this fee. The fee will be equal to 2% of the abated taxes (based on the amount of investment on the first full year of service) or a maximum of \$1,000.

## CITY OF MUSKEGON

## COMMERCIAL FACILITIES EXEMPTION CERTIFICATE GUIDELINES

The following guidelines are intended to provide direction for determining the length of all commercial redevelopment certificates as well as other potential components of a tax exemption such as employment generation/retention and site/facility requirements.

### A. Duration of Abatements

The following section represents the number of years to be granted for projects.

*Standard Exemption:*

## Real Property

6 Years

### Restored facility

*New Employment\*/Investment Bonus:*

3-5 Jobs	1 Year	\$15,000.00+	1 Year
6-8 Jobs	2 Years	<i>or</i> \$25,000.00+	2 Years
9-11 Jobs	3 Years	\$40,000.00+	3 Years
12-14 Jobs	4 Years	\$80,000.00+	4 Years
15-17 Jobs	5 Years	\$100,000.00+	5 Years
18-20 Jobs	6 Years	\$125,000.00+	6 Years

*Replacement or New facility*

*New Employment\*/Investment Bonus:*

2-4 Jobs	1 Year	\$500,000.00+	1 Year
5-8 Jobs	2 Years	<i>or</i> \$750,000.00+	2 Years
9-12 Jobs	3 Years	\$1,000,000.00+	3 Years
13-16 Jobs	4 Years	\$3,000,000.00+	4 Years
17-20 Jobs	5 Years	\$5,000,000.00+	5 Years
21+ Jobs	6 Years	\$7,000,000.00+	6 Years

\* “*New Employment*” refers to full-time job equivalent

The standard exemption (6 years) will apply to all applications. Additional years (up to another 6 years) may be added to the certificate later (using above criteria), if additional improvements and/or jobs are added within the time period that the original exemption was granted. The applicant will then need to request an amendment to their original application, from the City of Muskegon. The resolution adopted by the

City Commission at the time of granting the original certificate will indicate the factors, criteria and objectives to be considered in deciding whether to grant an extension.

The effective date of the certificate is December 31 immediately following the issuance of the certificate. However, the certificate may not exceed ten (10) years after the completion of the qualified facility. Thus, depending upon the dates of construction and application, a certificate may be valid for only nine (9) years.

*B. Site/Facility Requirements*

Improvements made shall conform to the Commercial Redevelopment Act. Commercial property eligible for an exemption certificate includes land improvements classified as real property and either completed or in the process of construction, the primary purpose and use of which is the operation of a commercial business enterprise including office, engineering, research and development, warehousing parts distribution, retail sales, and other commercial facilities. Real property that is leased from a tax exempt organization and classified as personal property for ad valorem property tax purposes is also eligible for an exemption certificate. A facility can be a “replacement facility,” a “restored facility,” or a “new facility.”

A replacement facility results from the complete or partial demolition of “obsolete” commercial property and the reconstruction or installation of new property of similar utility. A restored facility is defined as changes to obsolete commercial property other than replacement to restore the property to an economically efficient condition. Obsolete commercial property means commercial property the condition of which is impaired due to changes in design, construction, technology, or improved production processes, or damage due to fire, natural disaster, or general neglect. Restoration expenditures totaling less than 10% of the true cash value of the commercial facility are considered delayed maintenance and do not qualify for an exemption. A new facility is defined as new commercial property other than a replacement facility to be built in a redevelopment district.

The commencement of the redevelopment of the facility cannot occur before the establishment of the commercial redevelopment district.

C. *Employment Requirements*

All tax abatement applicants are encouraged to have a diverse labor force. The Company shall also agree to work with the City's Affirmative Action Director to market and publish notices regarding employment opportunities to underserved populations.

All new jobs promised at the time of application must be filled within two years and must be maintained over the life of the abatement. In the event the employment is not maintained over the life of the abatement, the City reserves the right to decrease the abatement by the number of bonus years that were given directly for that employment.



Date: January 27, 2009

To: Honorable Mayor and City Commissioners

From: Engineering

RE: Engineering Services Agreement with Sidock Group to evaluate the  
Seawall at the site know as the Amoco Property

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#### SUMMARY OF REQUEST:

Authorize staff to enter into an engineering services agreement with Sidock Group out of Muskegon to provide a comprehensive evaluation of the existing seawall as well as present alternatives on how to address the failure in a portion of the existing wall. The evaluation will take into account three main possibilities;

- 1- Removal of the entire seawall and replacement with rip rap.
- 2- Repairing/replacing the failed sections and reinforcement of the sections that did not fail.
- 3- A combination of the above alternatives.

Sidock's proposal was comprehensive and contained a good understanding at a reasonable fee of \$7,200. The other two proposals were submitted by Prein & Newhof (\$7,987) and Brechting (\$3,135). Brechting's proposal considers only repairing the existing seawall.

#### FINANCIAL IMPACT:

The engineering fee of \$7,200 for the study/evaluation phase at this time.

#### BUDGET ACTION REQUIRED:

None, the cost is budgeted for.

#### STAFF RECOMMENDATION:

Authorize staff to enter into an agreement with Wade Sidock Group.

#### COMMITTEE RECOMMENDATION:

**AGENDA ITEM NO.** \_\_\_\_\_

**CITY COMMISSION MEETING** \_\_\_\_\_

**TO:** Honorable Mayor and City Commissioners

**FROM:** Bryon L. Mazade, City Manager

**DATE:** January 21, 2009

**RE:** Terminate the Arena Management Contract

**SUMMARY OF REQUEST:**

To confirm the termination of the operations management contract with Arena Management Group (AMG). Notification of the termination has been sent to AMG, pursuant to the contract.

**FINANCIAL IMPACT:**

None.

**BUDGET ACTION REQUIRED:**

None.

**STAFF RECOMMENDATION:**

To affirm the termination of the operations management contract with AMG.

**COMMITTEE RECOMMENDATION:**

None.

**AGENDA ITEM NO. \_\_\_\_\_**  
**CITY COMMISSION MEETING \_\_\_\_\_**

**TO:** Honorable Mayor and City Commissioners  
**FROM:** Bryon L. Mazade, City Manager  
**DATE:** January 21, 2009  
**RE:** Arena & Concession Management Agreements

**SUMMARY OF REQUEST:**

To enter into agreements with J.S. Hockey Enterprises, Inc. to manage the L.C. Walker Arena and to manage concessions within the facility.

**FINANCIAL IMPACT:**

The agreements will operate under the same terms and conditions of the previous agreements.

**BUDGET ACTION REQUIRED:**

None.

**STAFF RECOMMENDATION:**

To approve the agreements and authorize the Mayor and Clerk to sign them.

**COMMITTEE RECOMMENDATION:**

None.

**CITY OF MUSKEGON  
OPERATIONS MANAGEMENT CONTRACT  
L.C. WALKER ARENA AND CONFERENCE CENTER**

This is a Contract, effective \_\_\_\_\_, 2009, for the management of the entire operations, management and promotion of the L.C. Walker Arena and Conference Center (“Arena”), made between the **City of Muskegon**, 933 Terrace Street, Muskegon, Michigan 49440 (“City”) and **JS Hockey Enterprises, Inc.**, 15926 152<sup>nd</sup> Avenue, Spring Lake, Michigan 49456 (“Manager”).

**PURPOSE**

This Contract is drawn to afford the complete management, promotion and maintenance of the Arena by Manager, in accordance and compliance with the requirements of the City, as well as the Muskegon County Building Authority and the County of Muskegon, who are the owner and primary lessee, respectively, of the Arena.

**BACKGROUND**

The Muskegon County Building Authority (“CBA”) is the owner of the Arena, and leases the premises to the County of Muskegon (“County”). The County subleases the Arena to the City, by which the City is responsible for the operation, maintenance, and improvements for the Arena.

**Therefore, the parties agree as follows:**

1. **Facilities Covered.** City and Manager agree that the “Facilities” covered by this Contract are as follows:

- 1.1. The L.C. Walker Arena and Conference Center;
- 1.2. The Annex Conference Center;
- 1.3. The “Club Room”, which is a restaurant/bar overlooking the ice on the Western Avenue end of the Arena, if it is constructed. City reserves the sole right to decide whether a “Club Room” is to be constructed;
- 1.4. Manager agrees that City has no obligations to provide additional parking facilities for the Arena. Manager is solely responsible for leasing, if Manager desires to use, parking facilities owned by Mart Dock, or any related entity. City agrees to allow Manager to an exclusive use of the City owned parking facilities adjacent to Shoreline Drive. City agrees to allow Manager to use the City owned parking facility adjacent to Western

Avenue for arena events, subject to the rights of any other parties to use the same parking area. The City reserves, at its sole discretion, the right to trade parking spaces for another location. In addition, if the City is going to use either the existing parking facilities adjacent to Shoreline Drive or adjacent to Western Avenue for a purpose other than parking, the City shall give 30 days' notice and Manager's rights to use that parking lot shall terminate. In the event existing parking facilities are to be used for a purpose other than parking, the City agrees to use its best efforts to provide replacement parking for arena events.

2. **Management; Operation; Maintenance; Improvements.** The Manager agrees to perform all acts and assume all responsibilities for the management, operation, maintenance and improvements of the Arena. The Manager's responsibilities include but are not limited to all operation of the building and its systems, complete maintenance thereof, repairs, cleaning and improvements to the building and the premises necessary for the efficient, timely and full operation thereof (notwithstanding the existence of the L.C. Walker Arena Repair and Replacement Fund, which shall only be used in the City's sole discretion and not as a substitute for Manager's responsibilities); further, all provisions for the use of the facilities for all events and functions, including but not limited to, professional hockey, amateur hockey, public skating, professional basketball, amateur basketball, shows, trade shows, exhibitions, conventions, athletic events, public performances for which the Arena is reasonably suited, banquets, food service, meetings and public gatherings. The Manager's responsibility shall further include the retaining and hiring of all personnel and independent contractors for the purpose of carrying out all the responsibilities and functions of the Manager.

3. **Annex Conference Center.** The Annex Conference Center, which is part of the Arena, shall be included in the above management, operation, maintenance, and improvement responsibilities of the Manager. However, at any time and in the City's sole discretion, the Annex may be separated from this Contract and its management, operation, maintenance and improvements contracted to another company or individual. During the term of contract, City shall retain the right to sell or demolish the Annex. Such separation of the Annex from the Manager's responsibilities shall not affect the Manager's responsibilities for the rest of the property and facilities.

4. **Expenses.** The Manager shall pay on a timely basis, without incurring any cost of default or penalties all expenses, payroll, payroll taxes, benefits, taxes, if any, and costs of any kind necessary or related to the complete performance of its responsibilities as Manager.

5. **Manager's Level of Performance.**

5.1 The Manager's performance and assumption of the responsibilities undertaken by this Contract shall be carried out and performed to the satisfaction of the City, in the City's sole judgment and discretion. The Manager shall charge reasonable prices and fees for all paid events and from all paid users, concessionaries and others, which shall be reviewed and adjusted by the City at its option. In addition, Manager shall include a

surcharge per ticket to all ticketed events in amounts to be determined from time to time by the City and communicated in writing. The Manager shall not perform or omit any act so as to jeopardize the Federal or State tax-exempt status of the County Building Authority Bonds.

5.2 Manager commits to maintain a UHL franchise, or equivalent or better professional hockey team at the Arena.

6. **Management Fee.**

6.1 For its services, the Manager shall be paid a management fee by the City. The said management fee shall be the sole compensation to the Manager by the City. Manager shall pay all the expenses contemplated by this Contract without further payments from the City. The Manager shall be paid an annual fixed fee of Two Hundred Ten Thousand (\$210,000) dollars for the term of this contract. If the "Club Room", which is anticipated to be constructed during 2006, is not constructed, the annual fixed fee shall be \$235,000. The annual fee shall be paid by the City in twelve (12) equal installments on the first of each month or a mutually agreeable schedule. As described in Section 8 and Section 10.2, it is anticipated that Naming Rights to the Arena will be marketed and sold on or before September 1, 2006 and that City will annually receive funds from this sale to help offset the cost of the management fee. If a Naming Rights deal is not approved by the City on or before September 1, 2006, the City, in its sole discretion, may choose to reopen this contract with regards to the amount of the management fee.

6.2 If at any time **JS Hockey Enterprises, Inc.**, owes the City of Muskegon funds which are deemed by the City to be thirty (30) days or more in arrears, City shall have the right to offset the monthly Management Fee owed by the City until such time as the amount owed to the City is eliminated.

6.3 Manager shall prepare and keep full, complete and proper books, records and accounts of all revenues and expenses by **JS Hockey Enterprises, Inc.**, for operations in the Arena, Annex or Club Room. Manager shall provide to the city (at least annually) access to the complete financial reports and income tax returns of these entities. If, in the City's sole judgment, the fixed fee is excessive when reviewing Manager's financial performance, the City may determine to change the fixed fee for the remaining contract years. If the Manager does not agree in writing with the City's determination, the Contract may be terminated after six (6) months notice or continued at the fixed fees above stated, at the City's sole option.

7. **Sources of Funds; Gross Revenues.** All funds collected by the Manager from every source, including but not limited to, ticket sales (after box office account settlement with unrelated third parties), concession or event rentals or fees, parking fees, refunds, the current ticket surcharge, and any other kind of receipt or revenue of any type, but excluding any fee for naming rights, user fees assessed by the City or other governmental entity or the maintenance fee surcharge, shall be retained by Manager.

8. **Naming Rights.** The City reserves the right to sell the naming rights to the Arena, including the Annex and the Club Room, if constructed. Any revenues generated by a contract to name the Arena, including the Annex and Club Room, shall be solely the revenues of the City. City agrees to pay Manager a one time fee of ten percent (10%) of the average annual amount paid for the naming rights to the Arena if Manager brings the Buyer to the City and a deal is consummated. The fee shall be paid by City to Manager contemporaneous with the first payment from the Buyer to the City, but such obligation shall expire upon the termination of this Contract.

9. **Repair, Maintenance and Improvement Fund and User's Fee.**

- 9.1. The City and Manager hereby establish the L.C. Walker Arena Repair, Maintenance and Improvement Fund (hereafter, the "Fund") which shall be financed by a user's fee as hereafter set forth and a one-time payment into said Fund by the City in the sum of Sixty Thousand Dollars (\$60,000) which payment shall be made upon demand of Manager after July 1, 2006 to be used solely and exclusively for the repairs and/or improvements (as hereafter defined) to the L.C. Walker Arena. Withdrawals from said Fund for the aforesaid purposes may be made by Manager only after first having obtained the prior written consent of the City Manager of the City of Muskegon, which consent shall not be unreasonably withheld. Any single repair costing Five Thousand Dollars (\$5,000) or less, shall, at all times, and in all events, be performed, assumed and paid for by Manager. Manager, not less often than annually, shall furnish the City with an accounting of all repairs and improvements to the L.C. Walker Arena within thirty (30) days following the completion of each contract year during the term of this Contract or any extension thereof. Earnings on said Fund shall be retained in the Fund and used solely for the Fund purposes.

In addition to the one-time initial funding by the City, Manager agrees to assess a Twenty-Five Cent (\$0.25) user's fee on all admissions (by ticket) to the Arena and/or Annex where such tickets are sold through the box office and/or its outlets and including all "complimentary ticket" issued by the Arena Manager or event promoter. The user's fee may be adjusted from time to time by mutual consent of the City and Manager. All user fees collected shall, within seventy-two (72) hours, be deposited by Manager in the Fund.

It is agreed by both Manager and City that the following events shall be exempt from the user's fee:

- (a) Public Skating Tickets; and
- (b) Graduations, weddings, and other events where a fixed rental rate is charged with no arena box office ticket sales.

Within five (5) business days of the first of each month following the completion of each event requiring the assessment of a user's fee, Manager shall provide City with a written tabulation of the number of tickets sold at such event and shall furnish the City evidence of the deposit in the Fund of the user's fee collected. City may, during normal business hours, audit Manager's record of any such event to verify the number of tickets sold and the correctness of the deposit in the Fund.

- 9.2. "Repair" implies an existing structure or thing which has become imperfect and means to supply in the original existing structure or thing that which is lost or destroyed, and thereby restore it to the condition in which it originally existed as near as may be. Manager shall be liable to assume and pay for all needed repairs to the premises and all City-owned equipment therein. The Fund may be used by Manager to make such repairs in the manner set forth in this Contract and the City Manager shall not withhold his consent to any such repair; provided, however, that at all times and in all events any single repair costing Five Thousand Dollars (\$5,000), or less, shall be performed, assumed and paid for by Manager; and, provided further, the following itemized items of work are not deemed "repairs" but are rather deemed ordinary maintenance, materials and labor for which shall be provided by Manager at its sole cost and expense:

- (a) Incidental repainting of surfaces;
- (b) Washing and waxing of floors;
- (c) Resealing of floors when and where needed;
- (d) Bathroom supplies and plumbing repairs caused by plugging of lines, leaking faucets and toilets;
- (e) All cleaning supplies and equipment;
- (f) Lime/Paint for ice;
- (g) Painting ice surfaces when and where needed;



- (h) Light bulbs for all lighting fixtures;
- (i) Cleaning of walls within the Arena and cleaning and ordinary maintenance of sidewalks and other cement surfaces surrounding the Arena and surface of the parking lots;
- (j) Snowplowing and snow removal of walks and entrances as needed and the Shoreline Drive and Western Avenue lots for arena events;
- (k) Cleaning of curtains, drapes and other cloth items on the premises;
- (l) Grass cutting and lawn maintenance;
- (m) Emptying of trash containers and supply of trash containers;
- (n) Such other and similar items of work ordinarily related to the day-to-day operation of the Arena.

9.3. Improvements are defined as a valuable addition to the Arena or amelioration in its condition, amounting to more than repairs, costing labor and capital, and intending to enhance its value, beauty or utility, or to adapt it for new or further purposes, of the kind that are normally in good business practice capitalized rather than expensed. Manager shall first obtain the prior written consent of the City before any improvement is made to the Arena. The City may, at its sole and exclusive option, agree to pay for all or any part of the cost of an improvement. If, at the time the City consents to make any requested improvement, there exists a balance in the Fund, such Fund balance may be applied to defray the cost of making such improvement.

10. **Uses of Funds.** The gross revenues shall be used for the following purposes:

- 10.1. Monies deposited into the Maintenance Fund shall be used only for the repair, maintenance, and improvement of the Arena. Any funds existing at the termination of this Contract shall revert to the City and become the unrestricted property of the City, with no claim to such by Manager.
- 10.2. All monies earned by the sale of the naming rights to the Arena, Annex or Club Room shall be the sole property of the City, subject to a possible obligation to pay a fee to Manager. The monies from such, however, shall be used by the City, in the following order, to pay the Management Fee

owed pursuant to paragraph 6, then to pay any debt service related to the Arena, Annex, or Club Room and the balance, if any, to be deposited into the Maintenance Fund.

- 10.3. All monies generated from all other sources at the Arena, including the Annex, Club Room, parking lots, and the Management Fee shall be the sole property of the Manager. Manager shall be responsible for all expenses, including any payments to Mart Dock, or related entity, for use of any Mart Dock, or related entity, property, except:

- 10.3.1. Expenses to be reimbursed from the Maintenance Fund; and

- 10.3.2. Debt service attributed to the Energy Improvements made in 2004 and any future debt service related to the Arena, including for the Club Room, which shall be paid by City.

11. **Conformity with Lease and Sublease.** Exhibits A and B are the lease between the CBA and the County and the sublease between the County and the City respectively. Manager agrees that it is subject to and will comply with and enforce the provisions of both Contracts.

12. **Possession; Termination.** The parties agree that possession during the term of this management Contract remains with the City. The Manager shall act as an agent of the City, and its presence and possession in the Arena is carried entirely on behalf of the City. This Contract shall not be construed as a lease or to give Manager any property right whatsoever in the Arena for any purpose. In the event of lawful termination either before the term of this Contract or at the end thereof, Manager shall vacate the premises without any notice or necessity of judicial proceedings.

13. **Property; Termination.**

- 13.1 All property purchased by the Manager or in the possession of the Manager at any time during this Contract shall be the property of the City. At termination, only the Manager's stationery and the personal effects of personnel shall be removed from the building. All other property including office equipment and supplies, all computers and computer related programs, data, systems of personal property, all furniture, furnishings, decorations, signs, fixtures, movable fixtures, personal property of any kind, and all other property whether or not having value, shall be the property of the City. The said property of the City shall include all things tangible or intangible paid for by the Manager during the term of this Contract.
- 13.2 Notwithstanding anything in this Agreement to the contrary, in order to maintain the tax-exempt status of the \$16,000,000 County of Muskegon Building Authority 1996 Building Authority Bonds (General Obligation

Unlimited Tax) issued June 19, 1996 (the "Bonds"), this Agreement shall terminate immediately in any of the following circumstances:

(a) the L.C. Walker Arena (including for this purpose appurtenant lands and all improvements thereto, referred to collectively herein as the "Arena") is transferred to the County pursuant to Sections 3(f) or 17 of the Sublease dated April 23, 1996 (the "Sublease") between the County of Muskegon (the "County") and the City of Muskegon (the "City"), or is otherwise transferred to the County for any other reason (including, but not limited to, the transfer to the County at the termination of the Sublease under Section 3 of the Sublease), or

(b) any consideration is paid or value rendered to the County by any party (including the City) with respect to the Arena for any reason, such as for the use of or purchase of all or any portion of the Arena, management services rendered with respect to any portion of or all of the Arena, naming rights procured with respect to any portion of or all of the Arena, or any other right with respect to any portion of the Arena for which consideration is paid or valued rendered to the County, except for payments made to the County for property taxes or any other taxes of general application, unless a written opinion of nationally recognized bond counsel is delivered to the County to the effect that notwithstanding the occurrence of any of the circumstances described in (a) or (b) above, failure to terminate this Agreement will not adversely impact the exclusion from federal income taxation of the interest on the Bonds to the holders thereof. Such opinion shall be in form and substance reasonably satisfactory to the County, and may (i) permit a limitation (rather than termination) of the original term of this Agreement, or (ii) mandate other conditions as required by nationally recognized bond counsel to render such opinion. The City agrees to notify the manager within thirty days of the date any of the circumstances in (a) or (b) arise; failure to provide such notice does not constitute a waiver of section 13.2; however, the Manager shall not be responsible for any damages or consequences arising from the City's failure to provide such notification.

14. **Condition of the Premises and Property.** On termination the Manager shall deliver all the property and the premises to the City in good and useable condition, except for the effects of ordinary wear and tear. Manager shall be immediately responsible for any repairs necessary to restore any property, whether real or personal, fixtures or otherwise, to the said condition.

15. **Term.** The term of this Contract shall be five (5) years from the effective date, provided that either party may terminate this Contract without cause, effective at the end of two

(2) years, upon written notice or annually thereafter, given anytime before the end of the last January first. If not terminated, this Contract shall automatically renew for an additional five years not to exceed a total of ten (10) years including the original term, or sooner in case a similar timely termination notice is given before the last January first on any one-year term. Notwithstanding the foregoing, this Contract shall be terminated, at the City's option, if a UHL franchise, or equivalent or better professional hockey team is moved from the Arena.

16. **Liquor License.** The City and the Manager shall be co-licensee on the City's municipal license, and any renewals thereof. The Manager agrees that the license is to remain in the City of Muskegon as primary licensee and that no interest in the license shall accrue to the Manager except the right under Michigan Liquor Control Laws and Regulations to operate as a co-licensee.

The parties shall cooperate and take such further action as is necessary and desirable to comply with any requirements of the Liquor Control Commission. Manager shall be responsible for all actions and responsibilities under the liquor license and shall indemnify City for all expenses, fees, fines, or costs incurred by the City related to the liquor license.

17. **Concessionaires and Independent Contractors; Professional Hockey Team.** The Manager shall have the right to enter into contracts with concessionaires and independent contractors providing subsidiary services to the Arena. The gross proceeds of all such contracts shall be the Manager's.

18. **Insurance.** The Manager shall obtain insurances required by the City in at least the coverage amounts set forth below. In all the following coverages except workers compensation insurance, the City, the Muskegon County Building Authority and the County of Muskegon shall all be named as additional insureds or loss payees, and each policy shall carry the commitment by the company that no cancellation shall be effective against the City, the CBA or the County, without thirty (30) days written notice to the City:

18.1. Comprehensive general liability insurance. The Manager shall obtain a comprehensive liability insurance policy through a company licensed to do business in Michigan and acceptable to the City, carrying limits of at least \$3,000,000, single limit.

18.2. Vehicle liability insurance. The Manager shall carry vehicle liability insurance for each vehicle owned or leased by it, having liability limits of at least \$1,000,000.

18.3. Workers compensation insurance. The Manager shall carry workers compensation insurance in the amounts required by state law.

18.4. Liquor liability. Manager shall carry, either by itself or through the use of concessionaire policies, adding additional insureds, a comprehensive liquor liability policy or policies.

- 18.5. Other insurance. Any insurances which are available and which are especially appropriate for the operation of the Arena, such as coverages involving professional or amateur hockey games, trade shows and the like, covering liability and the cost of injuries to persons and property shall be obtained by the Manager, with liability coverage carrying at least a single limit of \$1,000,000.

19. **Insurance Notices.** Cancellation Notice: Workers Compensation Insurance, Commercial General Liability Insurance and Motor Vehicle Insurance, as described above, shall include an endorsement stating the following: "It is understood and agreed that, in order to be effective, thirty (30) days' Advance Written Notice of Cancellation, Non-Renewal, Reduction and/or Material Change shall be sent to:

**City of Muskegon  
Attn: City Manager  
933 Terrace Street  
P.O. Box 536  
Muskegon, MI 49443-0536**

20. **Assignment.** The Manager may not assign this Contract. Any attempted assignment or change in entity of the Manager, change in the stockholders by more than the holders of one-third of the interest in the outstanding equity of the company, or any material change in the majority equity or management of the Manager, shall constitute a violation of this Contract and cause immediate termination in the City's discretion.

21. **Hold Harmless and Indemnity.** To the fullest extent permitted by law, Manager agrees to defend, pay in behalf of, indemnify, and hold harmless the City, County and CBA, their elected and appointed officials, employees and volunteers and others working in behalf of them against any and all claims, demands, suits, or loss, including all costs connected herewith, and for any damages which may be asserted, claimed or recovered against or from them, their elected and appointed officials, employees, volunteers or others working in behalf of them, by reason of personal injury, including bodily injury and death and/or property damage, including loss of use thereof, which arises out of or is in any way connected or associated with this Contract.

22. **General Provisions.**

22.1. Independent Contractor. The Manager is an independent contractor and not an employee of the City. Manager is responsible for all its own personnel and all other expenses and costs as set forth in this Contract and shall not have recourse to the City for any claims involving the said expenses or costs.

22.2. Corporate Status. Manager warrants that it is a Michigan corporation in good standing and is authorized to perform this Contract.

- 22.3. Equal Employment Opportunity; Discrimination. The Manager shall not discriminate unlawfully against any person in violation of any law or rule of the City, the County, the State of Michigan or the federal government, in employment, services or any other respect. The Manager shall comply, including reporting requirements, in each and every way with the City and County of Muskegon's affirmative action plans or policies, and shall never discriminate against any person based on race or any other protected status under the laws of the State or the United States.
- 22.4. Tickets. During the term of this contract City shall be provided four (4) free tickets to all resident pro hockey games at the Arena. The City shall have reasonable access to the facility at all times to monitor compliance with this agreement.

23. **Defaults.** The following events shall constitute defaults by the Manager and constitute cause for immediate termination of this Contract:

- 23.1. Violation of any of the provisions of this Contract by the Manager and failure to remedy or cure such within thirty (30) days after written notice of such violation from the City;
- 23.2. The commission of any act or omission that endangers the Federal or State tax-exempt status of the County of Muskegon Building Authority Bonds;
- 23.3. The making of an assignment for the benefit of creditors or the filing of a petition under any section or chapter of the Federal Bankruptcy Code or under any similar law or statute of the United States or any state thereof;
- 23.4. Adjudication of the Manager as a bankrupt or insolvent in proceedings filed against the Manager under any section or chapter of the Federal Bankruptcy Code or under any similar law or statute of the United States or any state thereof without further possibility of appeal or review;
- 23.5. The appointment of a receiver for all or substantially all of the assets of Manager and the failure to have such receiver discharged within thirty (30) days after appointment; and
- 23.6. The bringing of any legal action against Manager by any creditor resulting in litigation which, in the opinion of the City, creates a real and substantial risk of involvement of the Arena that will probably: (1) act to their financial detriment; or, (2) result in such creditor, or his assigns, succeeding in or to all or part of the interest of the City.

24. **Non-Waiver.** Failure to enforce any remedy for a breach or a violation of this Contract shall not constitute waiver of subsequent breaches or violations.

25. **Remedies of the Manager.** In the event the City breaches this Contract in any way, or the Manager determines that a breach or failure to observe any covenant or condition by the City has occurred, the Manager's sole remedy shall be termination of this Contract. The Manager shall not be entitled to any damages for breach of contract, or to any injunctive relief to enforce this Contract. In the event there are sums legally due to the Manager at the time of such termination they shall be paid forthwith, but no consequential damage or damages for breach shall be awarded or available to the Manager.

26. **Liens.** The Manager shall be responsible for protecting the Arena from any and all liens, mortgages, security interests or claims for any interest in any property.

27. **Counterparts.** This Contract may be executed in counterparts, and each set of duly delivered identical counterparts that includes all signatories shall be deemed to be one original document.

28. **Governing Law.** This Contract shall be construed and enforced in accordance with the laws of the State of Michigan applicable to contracts made and to be performed within the State of Michigan.

29. **No Third Party Beneficiary.** This Contract shall benefit only the parties to this Contract, and not any third party.

30. **Notices.** All notices, approvals, consents and other communications required under this Contract shall be in writing and, except when receipt is required to start the running of a period of time, shall be deemed given: (i) when delivered in person; (ii) when sent by telephone facsimile or e-mail, (the sender shall also mail or send a "hard copy" following the facsimile or e-mail, however the notice shall be effective upon the transmission of the facsimile or e-mail); (iii) one (1) day after depositing in the custody of a nationally-recognized receipted overnight delivery service with delivery fees prepaid; or, (iv) two (2) days after posting in the United States Mail, first class. Notices shall be sent to the parties as follows:

**JS HOCKEY ENTERPRISES, INC.**

Attn: Stacey M. Patulski

15926 152<sup>nd</sup> Avenue  
Spring Lake, MI 49456

**CITY OF MUSKEGON**

Attn: City Manager

933 Terrace Street

P.O. Box 536

Muskegon, MI 49443-0536

31. **Binding and Benefit.** Although this Operations Management Contract is not assignable, in the event assignment occurs, and at the option of the City, it shall be binding upon the parties, their successors, and assigns.

WITNESSES:

**ARENA –  
JS Hockey Enterprises, Inc.**

\_\_\_\_\_  
  
\_\_\_\_\_

By: \_\_\_\_\_  
Name: Stacey M. Patulski  
Title: \_\_\_\_\_  
Dated: \_\_\_\_\_, 2009

**CITY –  
City of Muskegon**

\_\_\_\_\_  
  
\_\_\_\_\_

By: \_\_\_\_\_  
Name: Stephen J. Warmington  
Title: Mayor  
Dated: \_\_\_\_\_, 2009

And

By: \_\_\_\_\_  
Name: Ann Marie Becker  
Title: Clerk  
Dated: \_\_\_\_\_, 2009



**AGENDA ITEM NO. \_\_\_\_\_**  
**CITY COMMISSION MEETING \_\_\_\_\_**

**TO:** Honorable Mayor and City Commissioners  
**FROM:** Bryon L. Mazade, City Manager  
**DATE:** January 21, 2009  
**RE:** Assignment of Ground Lease – 1601 Beach Street

**SUMMARY OF REQUEST:**

To approve the assignment and assumption of the ground lease at 1601 Beach Street from J.P. Lawrence, LLC to CJ's on the Beach, LLC.

**FINANCIAL IMPACT:**

None. Terms of the lease remain the same.

**BUDGET ACTION REQUIRED:**

None.

**STAFF RECOMMENDATION:**

To approve the request and authorize the Mayor and Clerk to sign the appropriate documents.

**COMMITTEE RECOMMENDATION:**

None.

## **ASSIGNMENT AND ASSUMPTION OF GROUND LEASE**

THIS ASSIGNMENT AND ASSUMPTION OF GROUND LEASE is made as of this \_\_\_\_ day of \_\_\_\_\_, 2009, by and between J.P. Lawrence, LLC, a Michigan limited liability company of 916 Michigan NE, Grand Rapids, MI 49503 (the "Assignor") and CJ's on the Beach, LLC a Michigan limited liability company of 1601 Beach Street, Muskegon, MI 49441 (the "Assignee"), with the consent of the City of Muskegon (the "City").

### **PRELIMINARY STATEMENT**

A. Pavilion Properties, LLC entered into a ground lease for certain premises commonly known as 1601 Beach Street, Muskegon, Michigan (the "property") dated April 1, 2001 between Pavilion Properties, LLC, as lessee, and the City, as lessor (the "Ground Lease").

B. Assignor was assigned Pavilion Properties, LLC's interest as lessee and assumed and agreed to perform all obligations under the lease via an Assignment and Assumption of the Ground Lease dated June 7, 2004 ("Assignment 1").

C. Assignor has agreed to assign to Assignee all of its interest in the Ground Lease in connection with its acquisition of the liquor licenses and related permits associated with the property, and Assignee has agreed to accept such assignment and assume the obligations of the lessee thereunder.

### **AGREEMENT**

In consideration of the premises stated above, and for other good and valuable consideration, IT IS AGREED:

**1. Assignment and Assumption.** Assignor transfers, assigns and conveys to Assignee the Assignor's interest as lessee in the Ground Lease. Assignee hereby accepts the assignment of the Ground Lease and assumes and agrees to perform all of Assignor's obligations under the Ground Lease.

**2. Representations and Warranties By Assignor.** Assignor represents and warrants to Assignee that the attached instrument is a true and complete copy of the Ground Lease and Assignment 1; and that Assignor has not assigned, pledged, or mortgaged the Ground Lease to anyone by an instrument which remains outstanding as of this date.

**3. Consent.** The City joins in the execution of this instrument solely for the purpose of acknowledging its consent to the assignment of the Assignor's interest in the Ground Lease to Assignee.

**4. Entire Understanding.** This Assignment and Assumption contain the entire understanding of the parties on the subject matter of this Assignment and Assumption and the parties hereby acknowledge that there have been and are no representations, warranties, covenants, or understandings other than those expressly set forth herein or therein.

**5. Parties Bound.** The covenants, agreements, terms, provisions, and conditions of this Assignment and Assumption shall bind and benefit the several respective heirs, representatives, successors and assigns of the parties hereto.

IN WITNESS OF WHICH, the parties have executed this instrument to be effective as above described.

**ASSIGNOR:**

**J.P. LAWRENCE, LLC**, a Michigan limited liability company

By: \_\_\_\_\_  
Name:  
Title:

**CITY:**

**THE CITY OF MUSKEGON**, a Michigan municipal corporation

By: \_\_\_\_\_  
Name: Stephen Warmington  
Title: Mayor

**ASSIGNEE:**

**CJ'S ON THE BEACH, LLC**, a Michigan limited liability company

By: \_\_\_\_\_  
Name: Ann Marie Becker, MMC  
Title: Clerk

By: \_\_\_\_\_  
Name:  
Title:

**Date: January 27, 2009**  
**To: Honorable Mayor and City Commissioners**  
**From: Engineering**  
**RE: Request for Encroachment Agreement**  
**746 W. Laketon Ave. – Wayne's Deli**

---

**SUMMARY OF REQUEST:**

The Bog's Corporation (DBA Wayne's Deli) has submitted the attached encroachment agreement application requesting your permission to replace two of the existing signs with one improved 5' by 6' sign (see attached pictures) which will extend over the public sidewalk along the north side of Laketon Ave.

**FINANCIAL IMPACT:**

None

**BUDGET ACTION REQUIRED:**

None

**STAFF RECOMMENDATION:**

To approve the encroachment agreement for replacing signs as per the attached plan, providing that they follow the supplemental conditions included in the agreement.

**COMMITTEE RECOMMENDATION:**

## SUPPLEMENTAL CONDITIONS

- 1- The grantee shall be fully responsible for the maintenance of the encroachment(s) and any relocation that becomes necessary to facilitate other improvements within the right of way (s).
- 2- Grantee will be responsible to maintain and keep, for the duration of this agreement, a valid insurance coverage satisfactory to the City.
- 3- If approved (by the City Commission), a permit to work in the right of way must be obtained from the Engineering Department before any work begins.
- 4- Insurance: LICENSEE shall at all times carry liability insurance in such amounts as are satisfactory to the City. The provision for liability insurance set forth shall remain in full force and effect in lieu of any other insurance requirement, provided that the City shall be given thirty (30) days written notice before a change in coverage may occur.
- 5- The City and/or its agent are not responsible for any damage to the facilities.
- 6- The bottom of the lowest sign must be installed at a minimum of 10 feet above the sidewalk.

**CITY OF MUSKEGON**  
**ENCROACHMENT PERMIT AGREEMENT**

REQUEST: A one-hundred dollar (\$100.00) non-refundable fee is required for processing of request.

1. LICENSEE proposes to install, repair or maintain improvements or facilities ("the encroachment"), in or abutting a street, alley, sidewalk, park, terrace or other property controlled or owned by the City of Muskegon, the encroachment being described as: (Attach exhibits) (1 unit equals 0-99 lineal feet)

REPLACE THE EXISTING SIGAGE (3 SIGNS) WITH 2 SIGNS PER  
THE ATTACHED PLAN. NEW SIGNS WILL BE 5'x6' & 2'x6'

2. The City-owned or controlled property (herein "property") subject to the encroachment is described as: [please insert a general description, and if required by the CITY, an accurate legal description]

746 W. LAKEVIEW AVE. - WAYNE'S DELI

3. The CITY is willing to grant such privilege upon the terms and conditions herein. This agreement shall constitute a permit under Chapter 74 of the Code of City Ordinances, and with all future amendments shall apply to any encroachment on public right of way or property.

**PERMIT AGREEMENT:**

THIS AGREEMENT is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, by and between the CITY OF MUSKEGON, a municipal corporation (hereinafter called CITY), and \_\_\_\_\_ (hereinafter called LICENSEE).

THEREFORE,

1. CITY does hereby grant unto LICENSEE the privilege of constructing, installing, maintaining, repairing and performing all necessary functions relating to the encroachment, and for that purpose to enter the property, for the term herein stated. This privilege shall be effective upon the delivery to the CITY of the required evidence of insurance coverage as outlined in paragraph 4 under this section and only after approval of this agreement by the City Commission and at which time an encroachment permit will be issued.

This grant is subject to the following special conditions: \_\_\_\_\_

2. That LICENSEE shall pay to the CITY for the privilege hereby granted the sum of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_), per unit as described under Request, paragraph 1, applicable to the current Master Fee Resolution. Such payment is to be made upon the signing of this agreement to the City of Muskegon, and the privilege hereby granted shall continue for a period of five years from said date and renewal payment as set in the Master Fee Resolution to continue in five year intervals due on the first day of May unless sooner terminated as hereinafter provided.

3. INDEMNIFICATION. The LICENSEE shall indemnify and save harmless said GRANTOR of and from any liability for claims, damages, costs, expenses, or fees, including any attorney fees, or fines or awards brought against or charged to the CITY by any person, firm or corporation on account of or arising from the privilege hereby granted to LICENSEE or the activities of the LICENSEE related to the encroachment or this privilege. This indemnification obligation shall include all liabilities for environmental damage or releases of hazardous substances subject to any governmental or third party action. "Hazardous substance" is defined as any material constituting a prohibited or regulated substance under governmental law, rule, statute or regulation in force at any time, including future times.

4. INSURANCE. LICENSEE shall at all times carry liability insurance in such amounts as are satisfactory to CITY, and issued by companies acceptable to the CITY, licensed in the State of Michigan, naming CITY as an additional insured on any such policy. LICENSEE will file yearly with the CITY certificates or policies evidencing such insurance coverage. The insurance policies or certificates shall provide that the CITY shall be given thirty days written notice before a cancellation or change in coverage may occur. The types of coverage and coverage limits as required by City Engineer shall be as follows:

SEE ATTACHED CERTIFICATE

5. BONDING. Before this agreement permit becomes valid, LICENSEE shall file with the CITY a bond conforming to the requirements of all applicable ordinances, and to cover removal of said encroachment in part or whole, if essential for CITY to do so. This Bond shall keep same in force during the entire term of this agreement.

6. The privilege hereby granted may be canceled and revoked in part or whole by the CITY at any time upon giving said LICENSEE thirty (30) days of written notice of such cancellation and revocation, with no refund of the fee required in paragraph 2 of Permit Agreement.

7. LICENSEE may surrender up the privilege hereby granted at any time upon giving notice in writing to the CITY thirty (30) days prior to such surrender with no refund of the fee required in paragraph 2 of Permit Agreement; provided, however, that upon the voluntary relinquishment or abandonment of this privilege, or upon cancellation or revocation thereof by the CITY, the LICENSEE shall remove any structure(s) erected upon, within or overhanging the area of encroachment and restore the property at LICENSEE'S expense and in

a manner satisfactory to the CITY and in default thereof shall be liable to the CITY for any cost, damage or expense the CITY may sustain in such restoration.

8. That should said LICENSEE fail or refuse to conform to any of the conditions on its part to be performed hereunder, the privilege hereby granted shall immediately terminate and become null and void.

9. This agreement shall be binding upon the respective heirs, representatives, successors and assigns of the parties hereto.

Witnesses:

\_\_\_\_\_

\_\_\_\_\_

Evelyn Hoffman

\_\_\_\_\_

CITY OF MUSKEGON

By \_\_\_\_\_

\_\_\_\_\_, Mayor

And \_\_\_\_\_

\_\_\_\_\_, Clerk

LICENSEE:

Carl R. Bagnor

\_\_\_\_\_



ACORD™

## CERTIFICATE OF LIABILITY INSURANCE

OP ID CB  
WAYNE-1DATE (MM/DD/YYYY)  
01/19/09

PRODUCER  Muskegon Insurance Agency, Inc 89 West Apple Avenue Muskegon MI 49443 Phone: 231-722-7281 Fax: 231-726-6071		THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.	
INSURED  Wayne's Deli the Bogs Corp dba 746 W. Laketon Avenue Muskegon MI 49441		INSURERS AFFORDING COVERAGE	NAIC #
		INSURER A: Allied Insurance:Commercial	
		INSURER B:	
		INSURER C:	
		INSURER D:	
		INSURER E:	

## COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A	GENERAL LIABILITY	ACP7170964541	10/06/08	10/06/09	EACH OCCURRENCE \$ 500000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person) \$
	<input checked="" type="checkbox"/> Business Owners				PERSONAL & ADV INJURY \$ 500000
					GENERAL AGGREGATE \$ 1000000
					PRODUCTS - COMP/OP AGG \$ 1000000
					GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC
	AUTOMOBILE LIABILITY				COMBINED SINGLE LIMIT (Ea accident) \$
	<input type="checkbox"/> ANY AUTO				BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident) \$
	<input type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> HIRED AUTOS				
	<input type="checkbox"/> NON-OWNED AUTOS				
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$
	<input type="checkbox"/> ANY AUTO				OTHER THAN EA ACC \$
					AUTO ONLY: AGG \$
	EXCESS/UMBRELLA LIABILITY				EACH OCCURRENCE \$
	<input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE \$
					\$
	<input type="checkbox"/> DEDUCTIBLE				\$
	RETENTION \$				\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATUTORY LIMITS OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED?				E.L. EACH ACCIDENT \$
	If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE \$
					E.L. DISEASE - POLICY LIMIT \$
	OTHER				BUILDING 285500
					PROPERTY 237700

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

Additional Insured: City of Muskegon

## CERTIFICATE HOLDER

CITYOF2

City of Muskegon  
City Clerks Office  
993 Terrace  
Muskegon MI 49440

## CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 10 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE  
Mark E. Schrier



OLD



5'x6'

+ 2150<sup>00</sup>  
Tax & permits  
Not included

THIS

5'x6 -

2'x6 -

2'x4 →



**DATE:** 01/16/2009  
**TO:** Honorable Mayor and Commissioners  
**FROM:** Anthony Kleibecker, Director of Public Safety  
**RE:** Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #: EN080195

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**SUMMARY OF REQUEST:** This is to request that the City Commission Concur with the findings of the Housing Board of Appeals that the structure located at **1305 JEFFERSON ST (Garage) Area 10** is unsafe, substandard, a public nuisance and that it be demolished within thirty (30) days. It is further requested that administration be directed to obtain bids for the demolition of the structure and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder.

Case# & Project Address: # EN080195 – 1305 Jefferson (Garage)

Location and ownership: This structure is located on Jefferson between Fifth and Sixth Streets and is owned by Marie P. Anderson.

Staff Correspondence: A dangerous building inspection was conducted on 07/25/08. The Notice and Order to Repair was issued on 08/04/08. On 10/02/08 the HBA declared the structure substandard and dangerous.

Owner Contact: No one was present for the HBA meeting dated 10/02/08. No permits have been issued, no inspections scheduled and no owner contact.

**Financial Impact:** CDBG Funds

**Budget action required:** None

**State Equalized value:** \$30,000 (Entire property)

**Estimated cost to repair:** \$4,000 (Garage)

**Staff Recommendation:** To concur with the Housing Board of Appeals decision to demolish.

**SUMMARY FOR: 1305 JEFFERSON ST**

**This is a two story residential structure with an attached garage. The only portion of this structure being evaluated at this time is the garage. This is a single stall garage with a flat roof that was structurally failed. The roof and this building has collapsed and the exterior walls appear to be unsound.**

## **CITY OF MUSKEGON**

933 Terrace St., P.O. Box 537, Muskegon, MI 49443 (231) 724-6715

### **DANGEROUS BUILDING INSPECTION REPORT**

Friday, July 25, 2008

**Enforcement #** EN080195      **Property Address** 1305 JEFFERSON ST  
**Parcel #** 24-205-396-0001-10      **Owner** ANDERSON MARIE P

**Inspector:** Henry Faltinowski

**Date completed:** 07/25/2008

#### **DEFICENCIES: (Garage Only)**

##### **Uncorrected**

**1. Roof has collapsed. Replace all damaged walls, plates, header, ceiling joists and roof system.**

**Request interior inspection by all trades, electrical, mechanical and plumbing. Please contact Inspection Services with any questions or to schedule an inspection at 933 Terrace St., Muskegon, MI 49440 (231) 724 6758.**

Based upon my recent inspection of the above property I determined that the structure meets the definition of a Dangerous Building and/or Substandard Building as set forth in Section 10-61 of the Muskegon City Code.

\_\_\_\_\_  
Henry Faltinowski, Building Inspector

\_\_\_\_\_  
Date



D.B. 1305 JEFFERSON GARAGE 7/24/2008



1305 Jefferson (Garage)





**DATE:** 01/06/09

**TO:** Honorable Mayor and Commissioners

**FROM:** Anthony Kleibecker, Director of Public Safety

**RE:** Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #: EN080015

---

**SUMMARY OF REQUEST:** This is to request that the City Commission Concur with the findings of the Housing Board of Appeals that the structure located at **922 S GETTY ST** is unsafe, substandard, a public nuisance and that it be demolished within thirty (30) days. It is further requested that administration be directed to obtain bids for the demolition of the structure and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder.

Case# & Project Address: # EN080015 – 922 S. Getty

Location and ownership: This structure is located on Getty, between Amity and Allen Streets and is owned by Darryl Lane, 1067 Frances, Muskegon, MI 49442.

Staff Correspondence: A dangerous building inspection was conducted on 01/16/08. The Notice and Order to Repair was issued on 01/17/08. On 03/06/08 the HBA declared the structure substandard and dangerous.

Owner Contact: No one was present for the HBA meeting dated 03/06/08. The owner who is in the military called and sent a email stating the home was rented with option to buy and was abandoned and trashed he planned to be home on leave in May 2008 to address issues. Owner contacted Inspection thru email stating he would be in Michigan in August 2008 and would address issues. The brother of the owner was present at Commission meeting dated 06/24/08. The City Commission sent case back to staff. There has been no owner contact since June 2008, no permits issued and no interior inspections scheduled.

**Financial Impact:** CDBG Funds

**Budget action required:** None

**State Equalized value:** \$24,300

**Estimated cost to repair:** \$5,000(Exterior Only)

**Staff Recommendation:** To concur with the Housing Board of Appeals decision to demolish.

**SUMMARY FOR: 922 S GETTY ST**

This building is a two story wood frame single family dwelling. This building has numerous violations including the foundation; it appears that this home has been abandoned. This building, if left in it's current condition, will continue to deteriorate and remain an "attractive nuisance" to the neighborhood children.



## **CITY OF MUSKEGON**

933 Terrace St., P.O. Box 537, Muskegon, MI 49443 (231) 724-6715

### **DANGEROUS BUILDING INSPECTION REPORT**

Wednesday, January 16, 2008

**Enforcement #** EN080015  
**Parcel #** 24-121-300-0109-00

**Property Address** 922 S GETTY ST  
**Owner** LANE DARRYL

**Inspector:** Henry Faltinowski

**Date completed:** 01/16/2008

#### **DEFICIENCIES:**

##### **Uncorrected**

- 1. Replace all damaged siding on home.**
- 2. Scrape and paint siding on home.**
- 3. Replace - repair damaged windows, window screens, glass and exterior doors.**
- 4. Foundation repair needed per MRC 2003 code. Provide interior inspection to evaluate scope of foundation damage.**
- 5. Remove debris out of yard.**
- 6. Provide interior inspection by trade inspectors.**
- 7. All stairs, landings, guardrails and handrails must meet MRC 2003 code.**

**Request interior inspection by all trades, electrical, mechanical and plumbing. Please contact Inspection Services with any questions or to schedule an inspection at 933 Terrace St., Muskegon, MI 49440 (231) 724 6758.**

Based upon my recent inspection of the above property I determined that the structure meets the definition of a Dangerous Building and/or Substandard Building as set forth in Section 10-61 of the Muskegon City Code.

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Henry Faltinowski, Building Inspector

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Date



922 Betty St. 1/16/2008.



922 Betty St





**DATE:** 01/16/2009

**TO:** Honorable Mayor and Commissioners

**FROM:** Anthony Kleibecker, Director of Public Safety

**RE:** Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #: EN080216

---

**SUMMARY OF REQUEST:** This is to request that the City Commission Concur with the findings of the Housing Board of Appeals that the structure located at **616 CATHERINE AVE Area 11** is unsafe, substandard, a public nuisance and that it be demolished within thirty (30) days. It is further requested that administration be directed to obtain bids for the demolition of the structure and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder.

Case# & Project Address: # EN080216 – 616 Catherine

Location and ownership: This structure is located on Catherine St. between Maple and Kenneth Streets and is owned by Wes Ashton, 13 Greendale, Toronto Ontario, Canada M6N4P4.

Staff Correspondence: A dangerous building inspection was conducted on 08/21/08. The Notice and Order to Repair was issued on 08/27/08. On 11/06/08 the HBA declared the structure substandard and dangerous.

Owner Contact: No one was present for the HBA meeting dated 11/06/08. Property was sold at County Auction 10/03/08. A letter was sent to new owner 11/20/08 enclosing copies of all inspection reports and notices. No permits issued and no interior inspections scheduled.

**Financial Impact:** CDBG Funds

**Budget action required:** None

**State Equalized value:** \$20,600 (Entire property)

**Estimated cost to repair:** \$5,000 (Exterior Only)

**Staff Recommendation:** To concur with the Housing Board of Appeals decision to demolish.

**SUMMARY FOR: 616 CATHERINE AVE**

**This is a wood frame two story single family dwelling. This building is currently vacant. The structure has deteriorated to the point that the side porch is collapsing and is in need of a new roof. If left in unrepared this building will continue to deteriorate and become an “attractive nuisance in the neighborhood”.**

**CITY OF MUSKEGON**  
933 Terrace St., P.O. Box 537, Muskegon, MI 49443 (231) 724-6715  
**DANGEROUS BUILDING INSPECTION  
REPORT**

Friday, August 22, 2008

**Enforcement #** EN080216      **Property Address** 616 CATHERINE AVE  
**Parcel #**24-205-075-0008-00      **Owner** KITCHENS LISA

**Inspector:** Henry Faltinowski

**Date completed:** 08/21/2008

**DEFICIENCIES:**

**Uncorrected**

1. Replace roof covering damaged.
2. Side porch roof collapsing replace to MRC 2006 code.
3. Scrape and paint home exterior -siding, windows door and window trim
4. Replace all damaged exterior wood.
5. Tuck point chimney
6. Interior requested by trade inspectors

**Request interior inspection by all trades, electrical, mechanical and plumbing. Please contact Inspection Services with any questions or to schedule an inspection at 933 Terrace St., Muskegon, MI 49440 (231) 724 6758.**

Based upon my recent inspection of the above property I determined that the structure meets the definition of a Dangerous Building and/or Substandard Building as set forth in Section 10-61 of the Muskegon City Code.

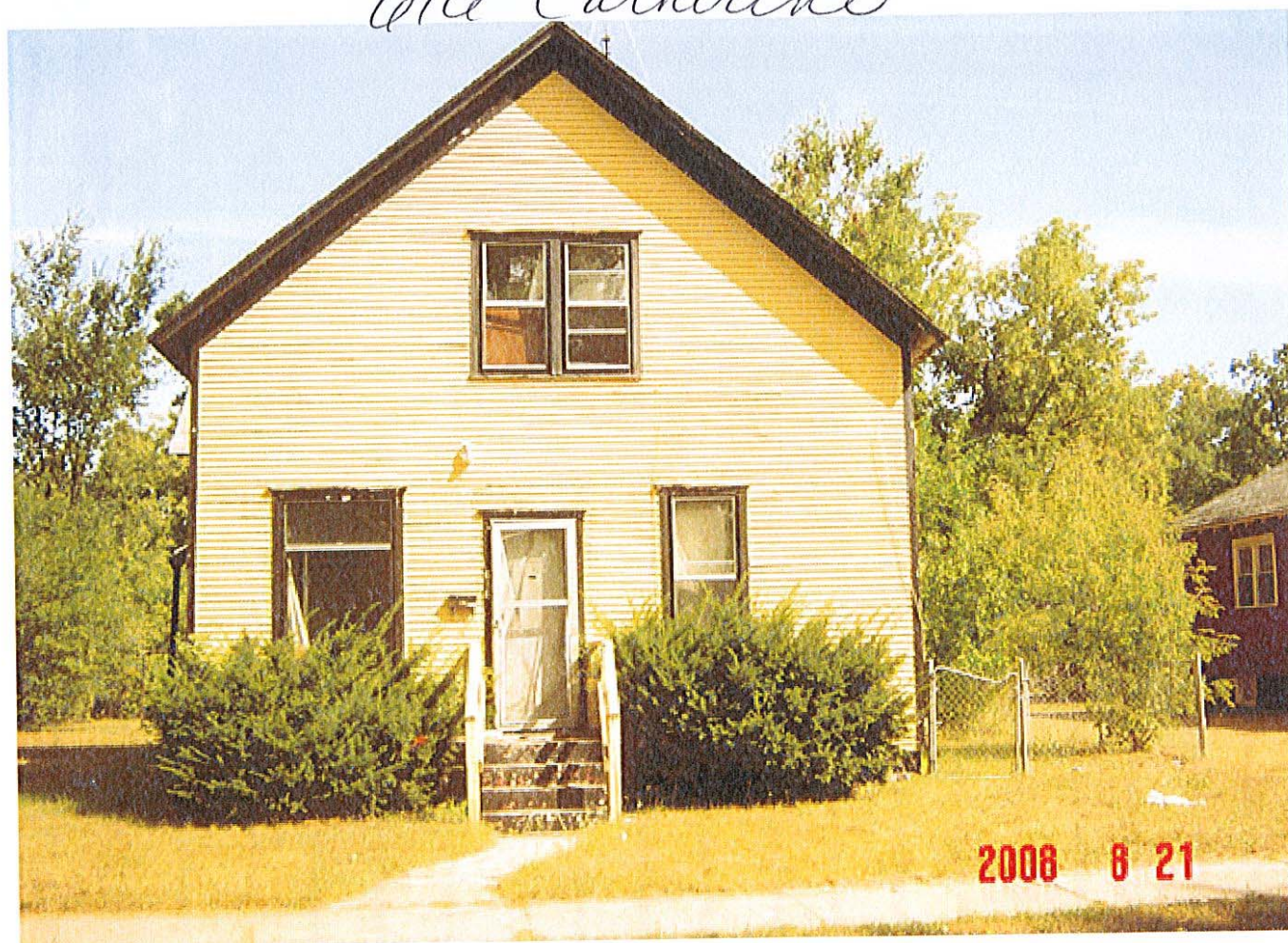
\_\_\_\_\_  
Henry Faltinowski, Building Inspector

\_\_\_\_\_  
Date





*little Catherine*





**DATE:** 01/16/2009

**TO:** Honorable Mayor and Commissioners

**FROM:** Anthony Kleibecker, Director of Public Safety

**RE:** Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #: EN080234

---

**SUMMARY OF REQUEST:** This is to request that the City Commission Concur with the findings of the Housing Board of Appeals that the structure located at **355 W GRAND AVE Area 11** is unsafe, substandard, a public nuisance and that it be demolished within thirty (30) days. It is further requested that administration be directed to obtain bids for the demolition of the structure and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder.

Case# & Project Address: # EN080234 – 355 W. Grand, Muskegon, MI

Location and ownership: This structure is located on Grand Ave. between 7<sup>th</sup> Street and 6th Streets and is owned by Federal National Mortgage Assoc.

Staff Correspondence: A dangerous building inspection was conducted on 09/22/08. The Notice and Order to Repair was issued on 09/23/08. On 11/06/08 the HBA declared the structure substandard and dangerous.

Owner Contact: No one was present for the HBA meeting dated 11/06/08. No permits have been issued and no inspections scheduled. There has been a lot of interest from local real estate companies but no interior inspections scheduled.

**Financial Impact:** CDBG Funds

**Budget action required:** None

**State Equalized value:** \$26,500 (Entire property)

**Estimated cost to repair:** \$8,000 (Exterior only)

**Staff Recommendation:** To concur with the Housing Board of Appeals decision to demolish.

**SUMMARY FOR: 355 W GRAND AVE**

**This building is a 2 story wood frame, three unit apartment building. This structure is currently vacant and has been boarded on a number of occasions by the Inspections Department over the last 12 months.**

**The roof covering on this building has deteriorated and must be replaced, exterior stairways need to be replaced or made safe and the building has been boarded for over 180 days. The rear portion of the building has had the siding stripped away. There have been numerous attempts by the Inspections Department to get this structure repaired to no avail.**

**This building continues to be a blight on the neighborhood and if left in it's present state, will continue to deteriorate.**



## **CITY OF MUSKEGON**

933 Terrace St., P.O. Box 537, Muskegon, MI 49443 (231) 724-6715

### **DANGEROUS BUILDING INSPECTION REPORT**

Monday, September 22, 2008

**Enforcement #** EN080234

**Parcel #** 24-205-419-0001-00  
REGISTRATION

**Property Address** 355 W GRAND AVE

**Owner** MORTGAGE ELECTRONIC

**Inspector:** Henry Faltinowski

**Date completed:** 09/22/2008

#### **DEFICIENCIES:**

##### **Uncorrected**

1. Replace roof covering on home - Deteriorated - Home & flat roof section.
2. Flash all roof covering to MRC 2006 code.
3. Replace all damaged siding.
4. All exterior stairs to meet MRC 2006 code - broken guards, handrails.
5. Scrape and paint all damaged exterior window frames and doors.
6. Repair front porch deck.
7. Home is boarded.

**Request interior inspection by all trades, electrical, mechanical and plumbing. Please contact Inspection Services with any questions or to schedule an inspection at 933 Terrace St., Muskegon, MI 49440 (231) 724 6758.**

Based upon my recent inspection of the above property I determined that the structure meets the definition of a Dangerous Building and/or Substandard Building as set forth in Section 10-61 of the Muskegon City Code.

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Henry Faltinowski, Building Inspector

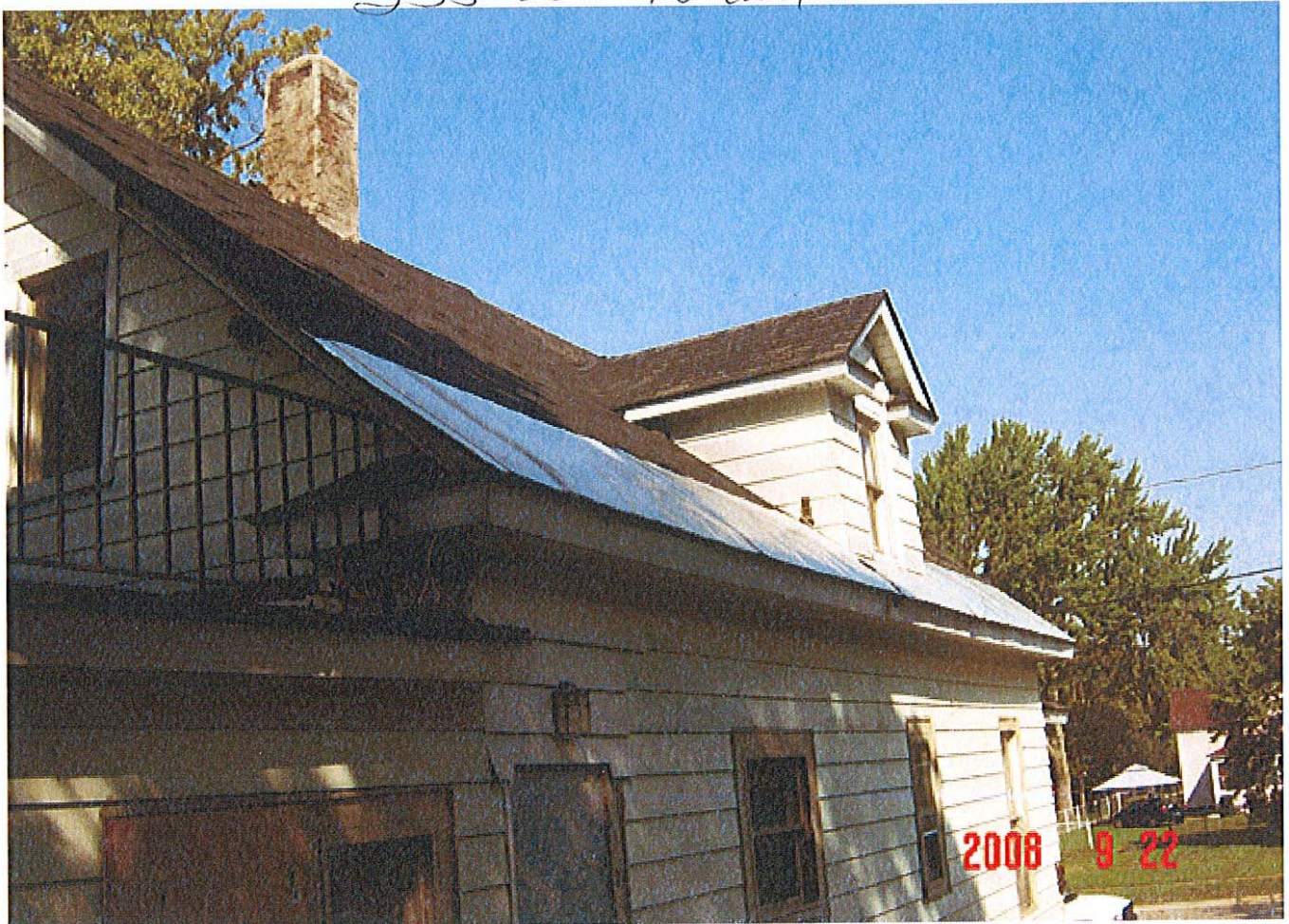
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Date





355 W. Grand





355 W. GNAVED 9/22/2008 D.R.



**DATE:** 01/16/2009  
**TO:** Honorable Mayor and Commissioners  
**FROM:** Anthony Kleibecker, Director of Public Safety  
**RE:** Concurrence with the Housing Board of Appeals Notice and Order to Demolish. Dangerous Building Case #: EN080134(Garage)

---

**SUMMARY OF REQUEST:** This is to request that the City Commission Concur with the findings of the Housing Board of Appeals that the structure located at **267 IONA AVE (Garage) Area 11** is unsafe, substandard, a public nuisance and that it be demolished within thirty (30) days. It is further requested that administration be directed to obtain bids for the demolition of the structure and that the Mayor and City Clerk be authorized and directed to execute a contract for demolition with the lowest responsible bidder.

Case# & Project Address: # EN080134 – 267 Iona (Garage)

Location and ownership: This structure is located on Iona Ave. between Spring and Ambrosia Streets and is owned by Clay Paskel.

Staff Correspondence: A dangerous building inspection was conducted on 06/10/2008. The Notice and Order to Repair was issued on 06/17/08. The case came before HBA 09/04/08 and was tabled until October 2, 2008. On 10/02/08 the HBA declared the structure substandard and dangerous.

Owner Contact: Ms. Paskel was present for the HBA meeting dated 09/04/08 stating she had been ill and not financially able to repair garage. Ms Paskel was present for the HBA meeting dated 10/02/08 stating she got estimates for repair but did not have funds to repair. Staff gave recommendations for demolition. No permits have been issued.

**Financial Impact:** CDBG Funds

**Budget action required:** None

**State Equalized value:** \$13,100 (Entire property)

**Estimated cost to repair:** \$2,500 (Garage)

**Staff Recommendation:** To concur with the Housing Board of Appeals decision to demolish.

**SUMMARY FOR: 267 IONA AVE**

**This is a single story wood frame residential garage. The roof cover on this garage has failed to the point of exposing the roof rafters and sheeting as well as other structural framing members directly to the effects of the weather. If repairs are not performed on this building, this building will continue to decay until the building structurally fails.**





267. Way

